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REHABILITATION ACT AMENDMENTS OF 1986

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MRS. HAWKINS (for Mr. HATCH), from the Committee on Labor and Human Resources, submitted the following

REPORT

ORIGINAL

[To accompany S. 2515]

The Committee on Labor and Human Resources, to which was referred the bill (S. 2515) to reauthorize the Rehabilitation Act of 1973, to authorize a supported employment program for severely disabled individuals, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

Page
I. Summary of the bill 1
II. History of legislation 4
III. Committee views 5
IV. Tabulation of votes cast in committee 28
V. Cost estimate 28
VI. Regulatory impact statement 30
VII. Section-by-section analysis 31
VIII. Changes in existing law 41

I. SUMMARY OF THE BILL

As approved by the Senate Committee on Labor and Human Resources, the Rehabilitation Act Amendments of 1986 reauthorizes the Rehabilitation Act programs through fiscal year 1990.

The bill amends the purpose of the Rehabilitation Act contained in Section 208 of the Act, to maximize the employability, independence and integration into the work place and the community of handicapped individuals as a purpose of the programs authorized under the Act.

Section 102 of the bill requires the Secretary of Education to ensure that the staffing of the Rehabilitation Services Administration is in sufficient numbers and at levels that will maintain quali-

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fied personnel who have training and experience in the provision of rehabilitation services.

In Section 103, the bill provides new definitions of employability, rehabilitation engineering, supported employment and severe handicap. The definition of rehabilitation facility is amended to include psychosocial rehabilitation services for individuals with chronic mental health problems as an appropriate service.

Additional amendments to the administrative provisions of the Act are made by amending Section 12 to require the Secretary to appoint task forces as necessary to collect and disseminate information. Section 14 of the Act is amended to provide evaluation authority to the Commissioner. Section 16 is amended to allow the use of program funds for providing non-federal panels of experts to review applications for grants, contracts and cooperative agreements. Finally, a new Section 17 is added to the Act which mandates review of grants and contracts by panels which include a majority of non-federal members when the amount of the grant or contract exceeds $125,000.

Title II of the bill amends Title I of the Act to extend the authorization for the State grant program through fiscal year 1990. Section 202 of the bill contains numerous amendments to the State plan requirements of the Act. Such plan must include information on services to handicapped individuals with the most severe handicaps, including individuals served through the new Title VI, Part C supported employment program authorized by the bill. The State plan must also include the results of a statewide assessment of the rehabilitation needs of individuals with severe handicaps and the State's response to the assessment. A provision is added requiring that the State plan provide justification for the order of selection for services by the State to the rehabilitation client. In addition, a description of how rehabilitation engineering services will be provided to assist an increasing number of individuals with handicaps has been added. Finally, a new State plan provision requires the State to provide satisfactory assurances that it has an acceptable plan for the new Title VI, Part C supported employment program.

Title II of the bill further amends Title I, Section 102(b) of the Act with regards to the requirements for the individualized Written Rehabilitation Program (IWRP). Other amendments to Title I of the Act include authorizing the Client Assistance Program to provide information on available services under the Act to any handicapped individuals in the State.

Title III of the bill amends Title II of the Act to reauthorize the National Institute of Handicapped Research. Section 202(j)(2) of the Act is amended to specify the purposes of the Research and Training Center in the Pacific Basin. In addition, Section 204(b) of the Act is amended to require consideration of past performance in renewal applications for Research and Training Centers, and clarifies that the host institution with which the center is affiliated may not collect in excess of 15 percent in indirect cost charges.

Additional amendments to Section 204 of the Act include a new authority for two new Rehabilitation Engineering Centers to demonstrate and disseminate innovative models for the delivery of cost-effective rehabilitation engineering services to assist in meeting the needs of, and addressing the barriers confronted by individuals with handicaps.

Section 204 of the Act is also amended by adding new authority for conducting a demonstration program to develop procedures to provide incentives for the development, manufacturing, and marketing of orphan technological devices designed to enable individuals with handicaps to achieve independence and accessibility to gainful employment.

Finally, Section 204 is amended to authorize site visits for evaluation of projects and to require site visits as part of the peer review of grants exceeding $299,999.

Title IV of the bill amends Title III of the Act. First, in several areas Section 304 is amended to authorize training in the areas of rehabilitation engineering, rehabilitation dentistry, physical education, and therapeutic recreation, as well as for specialized personnel to provide training for supported employment and for meeting the special needs of persons with severe handicaps. Section 304 is further amended to authorize transition grant programs which meet specific criteria for assisting severely handicapped youth make the transition from school to work. Finally, Section 316 of the Act is amended to include an emphasis on integrated settings in recreation programs and to specify that recreation grants shall be for three year periods.

Title V of the bill amends Title IV of the Act by specifying the purpose of the National Council on the Handicapped. The responsibilities of the Council are expanded to include establishing goals for the year 2000 for individuals with handicaps with respect to employment, income, transportation, housing, community living and other areas, and to issue a report outlining these goals and strategies for meeting them.

Title VI of the bill amends Title V of the Act to require the Architectural and Transportation Barriers Compliance Board to prepare two reports on its activities in the field of transportation barriers faced by handicapped individuals, and on its activities in the area of housing needs of handicapped individuals. These reports are to be submitted to Congress no later than February 1, 1988.

Title V of the Act is further amended by authorizing a new Section 508 to allow the Secretary to develop and establish guidelines for electronic equipment accessibility designed to ensure that handicapped Federal employees may use electronic office equipment.

Title VII of the bill amends Title VI of the Act to add a statement of purpose for the Projects With Industry program and to provide that those Projects With Industry programs which meet specific standards shall continue to receive assistance for the four year period of the reauthorization. The Commissioner may revise the standards as necessary, subject to approval by the National Council on the Handicapped.

Title VII of the bill also authorizes a new Part C to Title VI of the Act. The purpose of this new part is to enable States to develop programs leading to supported employment for severely handicapped individuals. The bill provides a formula for distribution of funds for this program which is authorized at $25,000,000 for fiscal year 1987. Additional State plan requirements are included under this section, which clarifies that States are not prohibited from using Title I funds for provisions of supported employment services. States may elect to apply for a planning grant during the eighteen months of implementation of this program.

Title VIII of the bill amends the Independent Living Services authorized under Title VII of the Act. The bill authorizes a new State Independent Living Council which will provide guidance for the development and expansion of independent living programs and concepts on statewide basis. The bill also specifies that a majority of the members of boards for each independent living center shall be handicapped individuals. Finally, the bill provides continued funding for a period of four years for those centers which meet specific standards.

Title IX of the bill reauthorizes the Helen Keller National Center through 1990.

Title X of the bill consists of technical and conforming amendments.

II. HISTORY OF LEGISLATION

On March 20, and March 25, 1986, the Subcommittee on the Handicapped of the Senate Committee on Labor and Human Resources held hearings on the reauthorization of the Rehabilitation Act. Witnesses at the March 20 hearing included Madeleine Will, Assistant Secretary of Education for Special Education and Rehabilitation Services; Elmer Bartels, Commissioner of the Massachusetts Rehabilitation Commission; Dave Daugherty of the National Association of Rehabilitation Facilities, Hartford, Connecticut; Bob Nichols, a Rehabilitation Counselor, Nevada; Bill Ashe of the Adult Developmental Disabilities Program, Barre, Vermont; Rachel Colby, a consumer from Vermont; Jon Rossman of the Client Assistance Program in Florida; Jim Gashel of the National Federation of the Blind, Baltimore, Maryland; Diana Richardson, Therapeutic Recreation Department, University of Maryland; and Charles Carr, Northeast Independent Living Program, Lawrence, Massachusetts.

Witnesses at the March 25 hearing included Sandra Parrino, Chairperson of the National Council on the Handicapped; Lee Valenta, a Supported Employment Specialist from Washington; David Jay, of Physio Control Corporation in Washington; Peter Maclean, President of Vocational Guidance Services, Cleveland, Ohio; Dan Sullivan, of the Delaware Valley Projects With Industry, Philadelphia; Louis Esposito, a Rehabilitation Engineering Consultant, Madison, Connecticut; Pat Kraft, technology consumer, Baylor University Research and Training Center in Rehabilitation, Houston, Texas.

In response to those hearings, on June 5, 1986, S. 2515, the Rehabilitation Act Amendments of 1986, was introduced by Senators Weicker, Kerry, Thurmond, Stafford, Inouye, Kennedy, and Hatch, and was referred to the Committee on Labor and Human Resources. On June 24, 1986, S. 2515 was reported unanimously, with amendments, by the Subcommittee on the Handicapped to the Committee on Labor and Human Resources. On August 6, 1986, S.

2515 was reported unanimously by the full Committee on Labor and Human Resources.

III. COMMITTEE VIEWS

The Committee bill amends the provisions of the Rehabilitation Act of 1973, as amended, makes technical changes, and authorizes new provisions. These amendments are discussed, insofar as practicable, according to the order in which they appear in the Committee bill. Only those sections of the Act which are amended by S. 2515 are discussed in the report.

TITLE I—GENERAL PROVISIONS

Section 101. Statement of purpose

Section 101 of the Committee bill amends Section 2 of the Act to clarify that the overall purpose of the Act is to develop and implement comprehensive and coordinated programs of rehabilitation for handicapped individuals which will maximize their employability, independence and integration into the workplace and the community. The Committee views the Rehabilitation Act as a comprehensive set of programs designed to meet the broad range of needs of individuals with handicaps in becoming integrated into the competitive workplace and the community and in reaching their highest level of achievement.

Section 102. Rehabilitation Services Administration

Section 102 of the Committee bill amends Section 3 of the Act to require the Secretary to ensure that the Rehabilitation Services Administration (RSA) has a sufficient number of qualified personnel to carry out the programs authorized under the Rehabilitation Act. This section responds to the Committee's concern that the RSA maintain the capacity to carry out its responsibilities as a major federal agency charged with a leadership role in providing services to individuals with handicaps. Since 1980, the RSA has sustained a 35 percent reduction in staff. A significant number of experienced personnel has left the RSA, and the Committee is concerned that sufficient numbers of staff are not being trained in mid-level career positions to replace the expertise being lost to the agency. The Committee is also concerned that any downgrading of positions of the RSA will further deteriorate the ability of the agency to function effectively.

Congress has increased the responsibilities of the RSA in a broad range of areas in recent years and will, through this legislation, add new program initiatives requiring special expertise. Important personnel needs currently exist for program analysts and those capable of providing technical assistance in areas that range from independent living and supported employment to training and facilities improvement. The continuing responsibility of the federal program to its State partners includes having the ability to maintain accountability, develop national goals and provide some uniformity in the program from State to State.

The offices of Regional Commissioners are primary sources of information for the States, as well as the monitors of State program performance. The Committee is concerned over recent reductions in travel funds that have severely limited the ability of Regional Commissioners to carry out their responsibilities. In addition, the Committee is aware that four of the ten Regional Commission positions are vacant and currently filled on an acting basis. The Committee strongly advises that the Commissioner adopt as an administrative priority the filling of these positions.

The Committee believes that improvement of the current situation in the RSA and its regional offices is critical to the future of programs that affect the lives of millions of Americans with disabilities. The Committee expects the Secretary to take immediate action to restore the ability of the Rehabilitation Services Administration to carry out its functions effectively.

Section 103. Definitions.

Evaluation of rehabilitation potential

The Committee bill makes several amendments to the definition of "evaluation of rehabilitation potential" currently contained in Section 7(5) of the Act. The Committee has included under such evaluation consideration of recreational factors as they bear on the individual's rehabilitation potential. The Committee recognizes the importance of recreation in the integration of individuals with handicaps into the community, and in the overall rehabilitation of individuals with handicaps.

The Committee bill further amends the requirements for "evaluation of rehabilitation potential" to include an evaluation of an individual's employability. The Committee recognizes that the evaluation of rehabilitation potential is a process that leads to a determination of whether the handicapped individual can reasonably be expected to benefit in terms of employability from vocational rehabilitation services. The Committee believes that in considering the multiple factors which contribute to the expectation of benefit, the assessment of the individual's likelihood of entering or retaining a particular type of employment can be a valuable tool for determining eligibility and the nature as well as scope of services needed.

Finally, the Committee has added under "evaluation of rehabilitation potential" the provision of rehabilitation engineering services, where appropriate, to any individual with a handicap to assess and develop the individual's capacities to perform adequately in a work environment. This amendment reflects the Committee's belief that rehabilitation engineering services can be an integral component to the rehabilitation of some individuals with handicaps, and should be considered in the evaluation process.

Employability

The Committee bill adds to Section 7 of the Act a new definition of employability, which is defined to mean a determination that, with the provision of vocational rehabilitation services, the individual is likely to enter or retain, as a primary objective, full-time employment, and when appropriate, part-time employment, consistent with capacities or abilities of the individual in the competitive labor market or any other vocational outcome to Secretary may determine.

Currently, an individual is found to be eligible to receive rehabilitation services based on a determination of employability; yet this term has not been defined in the Act. Regulations currently guide the state rehabilitation systems in determining the employability of an indivdual. By including a definition of employability in the Act, the Committee is emphasizing the importance of employability as it relates to eligibility for rehabilitation services. The Committee recognizes as a primary objective full-time work, and, where appropriate, part-time work as successful outcomes for services. The amendment is intended to clarify that the efforts of the State agency must primarily be directed toward placing the client in full-time employment. The qualifying phrase, "where appropriate" is intended to ensure that only when full-time employment is not an option should a case be closed in part-time employment. However, the Committee wishes to emphasize that for individuals for whom part-time employment is an appropriate outcome, the client may not be denied services on that basis.

In providing this definition of employability, the Committee also intends to reemphasize the historic and continuing primary purpose of the State grant program—to assist individuals with handicaps in becoming part of the workforce to this Nation in competitive employment. The Committee notes that the most recent statistics from the RSA show that the percentage of rehabilitated persons placed in competitive employment reached 79 percent in 1984, the highest level that can be traced in historic records for this program. The Committee applauds the simultaneous achievement of increases in competitive employment with increases in services to individuals who are severely handicapped as well. The Committee believes that the primary goal of the program is competitive employment, and these amendments made by the Committee should assist States in their endeavor to get handicapped individuals employed.

Rehabilitation engineering

The Committee bill also adds to Section 7 of the Act a definition of rehabilitation engineering, which is defined to mean the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with handicaps in areas which include education, rehabilitation, employment, transportation, independent living, and recreation. The Committee recognizes that persons with physical and mental handicaps face multiple barriers to rehabilitation, employment, and independent living. The systematic application of technologies can often overcome these barriers by maximizing human potential. From the consumer and provider perspective, the Subcommittee received testimony of the cost-effectiveness of rehabilitation engineering. By adapting a work site, a living environment, or a means of transportation, the application of rehabilitation engineering, through an interdisciplinary approach, has been successful in expanding opportunities for persons with handicaps. The Committee has, therefore, provided a definition of rehabilitation engineering, and, with this definition as a focal point, has also incorporated several additional amendments that should result in an expansion of the availability of rehabilitation engineering services in every State.

Rehabilitation facility

The Committee bill amends the definition of rehabilitation facility currently contained in the Act to include psychosocial rehabilitation facility services. This amendment serves to emphasize the unique rehabilitation services which can be provided to individuals with chronic mental health problems in programs offering psychosocial rehabilitation. Psychosocial rehabilitation agencies address a wide variety of needs of persons with chronic mental health problems, including vocational needs. These agencies can link vocational rehabilitation with other supportive mental health services in a way that will increase the success rate of vocational rehabilitation services. The Committee encourages States and vocational rehabilitation counselors to utilize psychosocial rehabilitation facilities when such use would be appropriate.

Severe handicap

The Committee bill amends the current definition of severe handicap contained in the Act by including and updating the definition contained in current regulation (34 CFR 361.1 and 366.4). The amendment explicitly recognizes arthritis, autism, brain injury, and head injury as handicaps, and adds interpersonal skills to the list of functional capacities presently set out in regulations.

The Committee stresses the functional nature of this definition.

Supported employment

Finally, the Committee bill adds a new definition of supported employment to the Act. Supported employment is defined to mean competitive work in integrated work settings for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or for individuals for whom competitive employment has been interrupted or intermittent as a result of a severe disability, and who, because of their handicap, need ongoing support services to perform such work. The Committee definition further clarifies that the term supported employment includes transitional employment programs for individuals with chronic mental illness. In addition, the Committee definition clarifies that, for the purpose of the Rehabilitation Act, supported employment may be considered on acceptable outcome for employability.

The Committee recognizes that research, demonstration projects, and successful service provision data have demonstrated the clear employment potential of handicapped persons through supported employment and intensive individualized vocational training. The Committee is impressed by evidence that very severely handicapped persons are capable of meaningful employment, given appropriate supports. Placement in supported employment is already considered by some State vocational rehabilitation systems to be an acceptable employment outcome. The Committee intends that all States may consider supported employment an acceptable employment outcome for their Title I program.

The Committee does not intend that supported employment services be limited to any one model of service provision or provided exclusively to one group of handicapped individuals. The Committee definition recognizes transitional employment programs in the mental health rehabilitation field as one variation of the supported work model. These transitional employment programs are not be be confused with the transition from school-to-work projects also established by the Committee bill.

Monitoring, evaluation and administration

The Committee bill makes several amendments to improve the overall monitoring, evaluation and administration of programs by the Commissioner of the Rehabilitation Services Administration.

Section 105 of the bill amends Section 14 of the Act to give authority for evaluating programs authorized by the Act to the Commissioner of the Rehabilitation Services Administration; to clarify the purpose and scope of such evaluations; and to eliminate the authority for the use of control groups in conducting evaluations. Since the authorization level for funding of evaluations is limited, it is important to target funds to those evaluations which directly benefit the greatest number of recipients of services, specifically, through improving the management of the state grant program. Examples of ongoing evaluations that are important to the improvement of the program include studies of eligibility determinations and the validity of report data. The Committee believes that the use of control groups for evaluation of rehabilitation programs is inappropriate and has been shown in some instances to be both costly and unreliable.

The Committee is concerned over reports that the Department of Education may use funds appropriated for Section 14 for a major impact study and other comparative studies of the rehabilitation state grant program that are not related to the direct improvement of services under the currently authorized program. The Congress has expressed support for currently authorized programs through both the authorizing and appropriations process. The funds available for evaluating programs under the Rehabilitation Act must be directed only toward the improvement of programs under the Act and not for the development of Departmental policy toward rehabilitation programs. Such policy evaluation studies may be conducted with discretionary funds otherwise available to the Secretary. The Committee notes the existence of national standards for the evaluation of the rehabilitation State grant program that may be used to evaluate the effectiveness of the program.

Section 106 of the Committee bill amends section 16 of the Act to provide that up to one-half of one percent of the amounts appropriated for grants, contracts and cooperative agreements may be used to provide non-federal panels of experts for peer review. Section 107 amends section 17 of the Act to require that applications for grants and contracts in excess of $125,000 shall be reviewed by panels of experts that include a majority of non-federal members.

Currently, the costs of peer review are paid from the salaries and expenses account of the Department of Education. Constraints on the amounts available from this account have limited the ability to obtain review panels, particularly those with non-federal members. The Committee believes that objective peer review is essential to ensuring the most effective use of federal funds.

The Committee has determined that grants or contracts exceeding $125,000 merit careful screening. The small proportion of program funds that these amendments will make available for the peer review process is, in the Committee's view, a wise investment in the assurance of high quality grant and contract awards. In addition, it is the Committee's expectation that the funds from the salaries and expenses account that would otherwise be expended for peer review for projects authorized under this Act will be used to augment the ability of the Rehabilitation Services Administration to monitor, evaluate and provide technical assistance to these projects.

Finally, the Committee bill amends Section 12 of the Act to add specific authority for the Commissioner to appoint and convene task forces as necessary to collect and disseminate information. The Committee believes that such task forces are important in facilitating communication, exchanging information, and generally improving the implementation of the programs authorized under the Act. For example, the Rehabilitation Services Administration has estimated that about one-third of rehabilitation service dollars are spent in rehabilitation facilities, yet there has been little focus on facilities or facility issues within the Rehabilitation Services Administration. An effective means of communications between the RSA and facilities has been a Facilities Task Force. The Committee expects the RSA to continue the Facilities Task Force and to have the task force meet regularly and frequently. The Committee believes the RSA should continue to provide staff liaison activities, including but not limited to, notification of meetings, maintenance and mailing of minutes, and preparation of discussion materials for the Facilities Task Force.

The Committee is also impressed with the unique rehabilitation needs of individuals with chronic mental health problems. This group constitutes one of the largest groups of handicapped individuals in many States. The Committee feels that the complex problems presented by this group warrant the establishment of a task force specifically to address their needs. The Committee intends that such task force shall include representatives of national organizations representing such individuals, representatives of citizens and family organizations representing such individuals, and representatives of other appropriate State agencies concerned with the rehabilitation of such individuals. The Committee directs the Commissioner to convene such a task force to identify and advise the Commissioner on the rehabilitation needs of individuals who are severely handicapped because of a mental illness.

The Committee expects the Commissioner to convene other specialized task forces as necessary.

TITLE II—VOCATIONAL REHABILITATION SERVICES

Section 202. State plans

The Committee bill makes numerous amendments to the State plan requirements contained in Section 101 of the Act. States will be required to include in their State plan the results of a Statewide assessment of the rehabilitation needs of individuals with severe handicaps within the State. It is the Committee's intent that this assessment address the needs of groups of individuals rather than the needs of particular individuals with handicaps.

The Committee bill also requires that States provide justification for the order of selection they implement for provisions of rehabilitation services within their State. The Act currently requires States to develop an order of selection when a State anticipates that it cannot serve all those eligible for service. A priority must be given to these with the most severe disabilities. At the present time, only 23 States indicate that they have an order of selection. These State plans currently show only that an order of selection exists; they do not specify that order or describe it with justifications for their decisions. The planned order of selection should be included in the draft State plan which is disseminated to the public for review and comment.

Finally, the Committee bill amends Section 101 of the Act to require a new assurance that the State has an acceptable plan for the new Part C of Title VI, which authorizes States to develop supported employment services for severely handicapped individuals.

The new program authorized in Part C requires States to submit a three-year State plan supplement describing the State plan for provision of supported employment services. The Committee recognizes that States are at different stages in the development of such services, but believes that these services are essential to maximizing the productivity and integration of disabled individuals. In order to encourage States to develop and implement a supported employment service delivery system, Title I of the Act has been amended to require assurance of a plan to this effect. This plan may reflect the level of the State's development of supported employment services, and need not initially reflect an established system. The Committee expects that plans for such services will vary, depending on the needs of the State. The Committee is aware that the ability of the State to implement its supported employment plan is dependent upon the establishment of supported employment services, and the availability of long-term support for such services from agencies other than the State rehabilitation agency.

In addition, because of the variance among States, the Committee has authorized planning grants under the Title VI, Part C programs, available during the first 18 months in which appropriations are made for those States which need a planning period in order to attain maximum benefits from their allotment under Title VI Part C. The Committee intends that these planning grants may initially suffice to fulfill the State's requirement under Title I for the Title VI program.

Section 203. Individualized Rehabilitation Program

The Committee bill amends Section 102 of the Act in order to clarify the requirements of the Individualized Written Rehabilitation Program (IWRP). Specifically, the Committee bill requires that the IWRP be developed on the basis of a determination of employability to achieve the vocational objective of the individual and include long-range rehabilitation goals. The Committee intends that such goals be based upon an assessment of the individual's documented level of current functioning. Such an assessment should not be limited to a medical diagnosis.

The Committee wishes to most strongly reaffirm the concept of "individualization" which is inherent in the Rehabilitation Act, and specifically required in the development of an Individualized Written Rehabiliation Program. The Committee emphasizes the importance of the IWRP requirements to require a statement of projected dates for initiation and anticipated duration of each service, so as to ensure the development of individualized services. The Committee expects that States will continue to carry out policies which allow for individualized service plans which will enable the client to progress toward his or her established goals within realistic time frames.

Finally, the Committee bill amends Secton 102 of the Act to provide that the chief administrative officer of any designated State unit establish procedures for reviewing determinations of ineligibility or implementation of the IWRP. The bill requires that such procedures will include review by an impartial hearing officer.

The Committee believes that an impartial due process system is in the interest of both the clients and the rehabilitation services agencies. It is the intent of the Committee that the chief administrative officer or a designated State unit establish the procedures for the conduct of such reviews. The Committee intends that persons appointed to the position of impartial hearing officer shall have a background and experience in, and have knowledge of, the delivery of vocational rehabilitation services. Further, the Committee intends that the impartial hearing officer be an individual who has had no previous involvement in the decisions or service disputes at issue. The responsibility for assuring that services are delivered to all clients consistent with sound vocational rehabilitative principles and are resolved promptly on a fair and equitable basis remain with the chief administrative officer of the designated state unit.

Section 205. Client Assistance Program

Section 205 of the Committee bill amends Section 112 of the Act in several ways. The Committee has added language which authorizes the Client Assistance Programs (CAPs) to provide information on the available services under the Act to any handicapped individual in the State. The Committee has added this language in order to allow CAPs to assist in making the handicapped population of the State aware of the services available through the Rehabilitation Act. The Committee has been informed that in some instances the CAP programs have been restricted from such activities, and, through this amendment, clarifies the authority for such activities by the Client Assistance Program.

The Committee bill also makes several amendments to Section 112 of the Act to address the redesignation of CAP programs. The option of the Governor to place the CAP within the State rehabilitation agency is limited to the first designation that occurred after the 1984 amendments. Future designations must be to agencies independent of an entity that provides vocational rehabilitation services.

The Committee is also concerned that any change in designation within any jurisdiction be only for good cause. The Committee urges the Rehabilitation Service Administration to promulgate regulations and carefully evaluate any redesignation request to assure that there is both good cause for any redesignation request and that notice of such request has been provided to clients and client groups within the jurisdictions of the appointing authority prior to the request being submitted to the Rehabilitation Services Administration.

The Committee bill also provides direction to the Commissioner for increasing minimum allotments to CAP programs. The Committee recognizes the difficulty States experience in receiving minimum allotments in trying to serve persons with handicaps with their limited funds. The Committee has established a two step process for increasing minimums. First the minimum allotment will automatically increase when the appropriations exceed $7,500,000 in any year. Second, the Commissioner may increase the minimum allotment if the appropriation increases by more than the percentage increase of the Consumer Price Index submitted by the Bureau of Labor Statistics. The Committee does not intend, however, for any program to receive less than it received in the previous year as a result of this adjustment.

The Committee bill further addresses the funding of CAP programs by amending Section 112 of the Act to authorize the Secretary to make payment directly to the designated CAP agency. The Committee recognizes that payment of CAP funds to States have sometimes caused delays in the designated agency receiving funds which could adversely affect services to persons with handicaps. The amendment to Section 112(d)(3) would allow payment directly to the designated agency, thereby decreasing the administrative burdens of the State.

Finally, the Committee bill amends Section 112 of the Act to clarify that clients of the State rehabilitation agency may become CAP employees when appropriate. The Committee understands that Section 112(g) has prohibited clients of rehabilitation from becoming CAP employees as well as prohibiting CAP employees who have handicap and are eligible for rehabilitation services from receiving such services. The Committee intends the CAP funds not be used by rehabilitation agencies for administrative costs or for salaries of staff who are not connected to the CAP, but does not intend to exclude rehabilitation eligible clients from potential worksettings. The Committee is amending Section 112(g) in order to permit CAP to hire rehabilitation clients who are still receiving services and/or permit CAP employees who become eligible and could benefit form rehabilitation services to receive those services without jeopardizing their employment.

TITLE III—RESEARCH AND TRAINING

Section 302. National Institute of Handicapped Research

Section 302 of the Committee bill amends Section 202(j)(2) of the Act to clarify the purpose of the Research and Training Center in the Pacific Basin.

The Pacific Basin Center addresses the needs of a geographic area larger than the continental United States. The population within the Pacific Basin includes people with numerous cultural, socio-economic and language differences.

In assisting the center to perform its mission, the Committee directs the National Institute of Handicapped Research to fully recognize the special situation of the Pacific Basin Center. Resources to meet communications, travel and necessarily innovative training needs of the Region are essential, as are assessment measures geared to realistically evaluate the Center's performance.

The Committee also wishes to note the work being done by the West Virginia Rehabilitation Research and Training Center. This center has become national in scope through its programs and has provided training and development programs to the private sector, as well as State governments. Through its Job Accommodation Network (JAN), an employer, State or Federal agency can call toll-free to obtain information on how to accommodate a specific job so that a handicapped individual can become employed. JAN provides a nationwide clearinghouse that is easily accessible and provides approaches to accommodating jobs to handicapped persons at low costs. This center is also providing service nationally to rehabilitation program managers and counselors in the application of computer technology to improve decision making in program operations and client service delivery. The Committee recognizes the valuable contribution the West Virginia Research and Training Center is making not only to the employment of handicapped persons, but also in the research and training it is providing ot both the public and private sector, and supports the continuation of Federal participation in this effort.

The Committee also wishes to commend the work of the Midwest's only medical research and training center on brain trauma and stroke, the Rehabilitation Institute of Chicago. The RIC is at the forefront of research in the field and is able to offer patients the most advanced and innovative treatment available. To further augment its patient care efforts, the Institute is also capable of drawing upon the unique resources of such programs as Northwestern University's outstanding rehabilitation engineering program and its prosthetic laboratory. The Committee recognizes the valuable contribution the RIC has made in this field on both a regional and national level, and strongly recommends that the NIHR continue and expand this research and training center.

Section 304. Research

Supported employment

Section 304 of the Committee bill amends Section 204 of the Act in several ways. The Committee has added authority to conduct studies, analyses and other activities related to supported employment to those authorities already specified for the Director of the National Institute of Handicapped Research. By adding the authority for the Director to conduct studies in this area, the Committee expects that the knowledge base for supported employment as it relates to the rehabilitation of severely handicapped individuals will continue to be expanded and refined.

Peer review

Section 204 of the Act is further amended in order to strengthen the evaluation and peer review process utilized by the National Institute of Handicapped Research in the award of grants and contracts. Section 304(b) amends Section 204(b) of the Act to provide that the peer review of all applications for the renewal of a Rehabilitation Research and Training Center grant shall take into consideration the past performance of the applicant in carrying out its grant. Under the current system, the performance of a research and training center is not specifically evaluated and considered when that center reapplies for the same type of grant. The Committee believes that where there is a record of performance, whether good or poor, it is a relevant tool for reviewers to use during the grant review process.

Section 304(d) amends Section 204 of the Act to provide authority for the Director of the National Institute of Handicapped Research to carry out site visits when evaluating research, demonstration and related projects. This section also provides that the Director shall not make a grant of $300,000 or more unless the peer review of the grant application has included a site visit.

In strengthening the peer review provisions for the National Institute of Handicapped Research, the Committee is expressing its belief that the peer review utilized by a research program is a strong component of sound research management. Both the quality of funded research and the fairness of the system for applicants depends upon impartial, expert analysis of the proposed research. The Committee believes the National Institute of Handicapped Research should be commended for its efforts to establish a peer review system, but feels that the system needs further improvement. Peer review requires highly qualified experts who understand both the area of research they are reviewing and the process of peer review. The Committee urges the National Institute of Handicapped Research to develop a plan for upgrading the peer review system. Such a plan should include provisions for an improved and more timely method of soliciting peer review participation, the face to face meeting of reviewers, the establishment of continuing study sections, and site visits for large grants.

Indirect costs

The Committee bill further amends Section 204 of the Act to limit the allowable indirect costs for Research and Training Centers. The problem of rising overhead costs has been the subject of continuing debate by the Congress, universities, researchers and others. The current policy of negotiating individual cost-based reimbursement rates with individual universities has resulted in a rapid growth in the amount of Federal funding budgeted for indirect costs. As a consequence the percentage of Federal money available to conduct the work of research and training centers has diminished.

The Committee bill restricts the amount of Federal funds a host institution can charge as indirect costs on a research and training center project. It is the intent of the Committee that the 15 percent in indirect cost charges should be calculated based on total costs of the Federal share of the research and training center contract. It is intended that this provision increase the percentage of Federal funding budgeted for carrying out research programs and activities and encourage greater support and participation from host institutions.

Rehabilitation engineering

At the present time, the National Institute of Handicapped Research supports sixteen Rehabilitation Engineering Centers. Although the research efforts of these centers have produced new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of individuals with handicaps and for reducing environmental barriers, the Committee is concerned that such innovations frequently do not reach the consumer and the rehabilitation professional in a timely manner. Section 204 of the Act is, therefore, amended to place an increased emphasis for RECs on the demonstration and dissemination of innovative models for the delivery of cost-effective rehabilitation engineering services to assist in meeting the needs of, and addressing the barriers confronted by individuals with handicaps.

With this new emphasis on applied research and service delivery, the Committee has authorized in fiscal year 1987 the establishment of two new Rehabilitation Engineering Centers in the State of South Carolina and the State of Connecticut. The Committee expects both States will seek to combine public and private resources to maximize the benefits of their centers.

The Committee intends that the REC in South Carolina be established through the State rehabilitation agency. There is currently no such center in the Southeastern region, which has a population of approximately 40 million people. The South Carolina Vocational Rehabilitation Department has a collection of resources available to complement the services of the REC, including a residential rehabilitation center with customary medical and vocational services; and independent living center; a vocational rehabilitation workship; a barrier-free model residence for severely disabled persons; a computer training center for the severely disabled; and a muscular development research center under construction.

It is the Committee's intent that the REC in Connecticut be established as a cooperative network of private nonprofit agencies, colleges and universities, business and industry, and State agencies to ensure both academic research excellence and efficient and effective rehabilitation engineering service delivery. Further, it is the Committee's intent that the network which has been organized in Connecticut be managed by the United Cerebral Palsy Association of Connecticut, Inc. in association with the New England Association of Business, Industry, and Rehabilitation, to link services to all persons in need of assistance in schools, independent living situations, and for persons moving into the workforce State-wide. It is the Committee's intent that the two new RECs focus on creative new approaches to applied research and rehabilitation engineering service delivery with a special emphasis on overcoming the barriers to employment and independent living.

Currently, at least one of the existing RECs, the Cerebral Palsy Research Foundation of Kansas, has a focus on rehabilitation engineering service delivery as it relates to employment. With the implementation of these amendments on rehabilitation engineering, there will be an expanded need for training and technical assistance to rehabilitation professionals and State rehabilitation agencies. It is the intent of the Committee that the existing center and the two new centers help provide such assistance.

Orphan technological devices

Finally, the Committee bill amends Section 204 of the Act to add a new authority for the Director of the National Institute of Handicapped Research to conduct projects and demonstrations for providing incentives for the development and marketing of orphan technological devices.

The Committee recognizes that the appropriate application of technologies to extend the capabilities of persons with disabilities is an important social and economic goal. The Committee also recognizes that new technology can bypass or isolate individuals with disabilities and that there has been limited interest by the private sector in developing and marketing specialized technology to meet the needs of small groups of handicapped individuals with unique technological needs. The name "orphan technological devices" was coined to reflect a perceived lack of concern about devices which can only be utilized by a relatively small number of people.

The National Council on the Handicapped in testimony before the Subcommittee on the Handicapped and in written recommendations identified and discussed the technology needs and recommended provisions to address them.

The Committee bill amends Section 204(b) of the Act to authorize a demonstration program to provide incentives for the development, manufacturing, and marketing of orphan technological devices. It is the intent of the Committee that the demonstration projects implement on a pilot basis appropriate procedures and incentives and provide recommendations to the Commissioner regarding other changes that can be made to facilitate further development of orphan devices.

TITLE IV—SUPPLEMENTAL SERVICES AND FACILITIES

Section 403. Training

Section 403 of the Committee bill amends Section 304 of the Act to reflect current rehabilitation training needs. Specifically, Section 304(a) of the Act is amended to provide a new authority to the Commissioner for training personnel to identify, assess, and meet the individual rehabilitation needs of individuals with severe handicaps. By adding this new authority, the Committee recognizes the unique rehabilitation needs of individuals with severe handicaps and the need for more trained, qualified personnel to address those needs.

The Committee bill also amends Section 304(b) of the Act to add several new priority areas for training in areas of personnel shortages. These include physical education, therapeutic recreation, rehabilitation dentistry and rehabilitation engineering. The Committee wishes to specifically recognize the increased demand for qualified personnel to deliver rehabilitation engineering services, and in addition to expanding the mandate for Rehabilitation Engineering Centers, has established this new priority in Section 304 of the Act for training in rehabilitation engineering.

The Committee bill also amends Section 304 to include a priority for training specialized personnel in providing employment training for supported employment and other specialized personnel for those individuals who meet the definition of severely handicapped. The Committee strongly believes that training of such professionals is the key to ensuring that quality rehabilitation services will be available to severely handicapped individuals. With the amendments authorized through this Act, the need for such trained personnel services will become more critical, and the Committee directs the RSA to ensure that these training needs are met.

The Committee also wishes to express its strong support for inservice training and the continuing education of personnel presently in the field. Federal training grants in these areas are essential to the ability of States to maintain qualified personnel, whose skills are continually upgraded in light of new technologies and new methods of providing services.

In addition, the Committee wishes to recognizes the unique training needs of personnel who work in rehabilitation facilities. The Rehabilitation Services Administration currently funds facility administration programs to upgrade the skills, knowledge and practices of mangagement and administrative personnel of rehabilitation facilities. Such funding assists facilities, and other community-based programs to participate in long and short term training activities. The demand for this type of training is critical due to implementation of federal initiatives and emerging community needs. The Committee strongly urges the RSA to continue its training initiative in this area, and to ensure that there is at least one rehabilitation facility administration program funded in each Federal region at a level sufficient to serve the rehabilitation facilities in that region. Finally, the Committee is distressed that the annual reports required of the RSA on qualified personnel shortages have never been submitted to Congress, and directs the RSA to provide such a report simultaneously with its fiscal year 1988 budget submission and annually thereafter.

Finally, the Committee wishes to clarify that the areas of personnel training listed in the Act and in this bill are not intended to be exhaustive, and that other training areas that are currently funded and that may arise as needed in the future are not excluded.

Section 406. Special demonstration programs

The Committee bill amends Section 311 of the Act to provide authority for several special demonstration programs.

A new Section 311(d) has been added to the Act providing authority to the Commissioner to make grants for special demonstrations and technical assistance in providing supported employment. The Committee has authorized $9,000,000 for this purpose in fiscal year 1987. The Committee intends that these funds be used to demonstrate successful models for State agencies to follow in building local capacity for providing supported employment services. The Committee further expects that these funds be used to provide technical assistance to State agencies in implementing the requirements of the new Part C of Title VI, authorized by these amendments, to enable every State to begin planning and providing supported employment services.

The Committee bill further amends Section 311 of the Act by adding a new authority for the Commissioner to make grants for developing, expanding and disseminating model State-wide transitional services for severely handicapped youth. The Committee recognizes the need for transitional planning services between special education and the rehabilitation system for severely handicapped young adults. The Committee's recommendation to establish three model demonstration transition planning service program stems primarily from a survey conducted by the National Association of State Directors of Special Education for the U.S. Department of Education entitled: "Severely Handicapped Youth Exiting Public Education: Issues and Concerns." The findings of this survey indicate that severely disabled young adults leaving public schools face critical problems in accessing appropriate adult services to meet their continued needs. According to the report, one of the significant barriers to a smooth transition is the "lack of effective coordination between schools and the adult services agencies within the adult service community."

The need for model transition programs has also been documented through testimony and reports presented to the Subcommittee on the Handicapped by Madeleine Will, Assistant Secretary for Special Education and Rehabilitative Services, and the National Council on the Handicapped.

It is the intent of the Committee to provide support to develop, expand and disseminate information leading to the replication of successful components of model transition programs throughout the nation. The Committee bill provides support for three model demonstration transition programs to address the essential need for transitional services for the severely handicapped, and, through the collection and dissemination of important information on these model programs, that other States be able to learn from and replicate such programs.

The Committee anticipates that the grant made to the southwestern state will involve two or more state agencies, including human services and education, and focus on the utilization of both public and private resources to assist severely handicapped youth in making a transition from high school to adult services.

Section 407. Special recreational programs

The Committee bill amends Section 316 of the Act of clarify and expand the authority for funding special recreation programs. This language has been amended to strengthen the nature and scope of these projects and to ensure a clear link between programs funded under this authorization and the overall intent of the Act. The changes reflect the evolving need for special recreation projects to move beyond the provision of myriad recreational activities to using recreational resources for maximizing independence and community integration. Furthermore, there is a need to develop and expand resources so that a more permanent change occurs in the on-going and long term provision of recreation services and opportunities to citizens with disabilities.

Of major importance is the amendment that requires recreation projects be funded for a minimum of a three year period. Extending the funding cycle has been a recommendation of recreation project directors for the past five years. The Committee believes that this extended cycle will enable more thorough development, implementation and evaluation of projects intended to make long-term additions to existing community services and resources. Such extended planning and evaluation time will better enable projects to solicit with sound justification local support necessary for the continuation of the services initiated under this section.

TITLE V—NATIONAL COUNCIL ON THE HANDICAPPED

The National Council on the Handicapped was established by Congress as an independent Federal agency in the Rehabilitation Act Amendments of 1984. At the time, Congress mandated the Council to review all statutes pertaining to Federal programs which assist handicapped individuals, to make a priority listing of such programs, to assess the extent to which such programs provide incentives or disincentives to the independence of persons with disabilities, and to recommend to the President and Congress legislative proposals for increasing incentives and decreasing disincentives. On February 1, 1986, the Council submitted the comprehensive report, "Towards Independence," which fulfilled this Congressional mandate. This report contains 45 legislative rcommendations covering a broad spectrum of concerns of persons with disabilities. These timely recommendations will provide guidance to the Congress for improving the quality of life for persons with disabilities, and the Committee commends the National Council on the Handicapped for this informative, comprehensive report.

The Committee bill makes several amendments to the current statute, in order to further clarify the purpose and duties of the Council.

Section 501 of the Committee bill amends Section 400(a) of the Act to add a purpose statement to the authorizing language for the National Council on the Handicapped. The Committee recognizes the important role the Council plays for individuals with handicaps across the nation. The Committee charges the Council, as a primary duty, with the responsibility of promoting full integration, independence, and productivity of handicapped individuals in the community, schools, the workplace and all other aspects of American life.

Section 502 of the Committee bill amends Section 401(a)(4) of the Act. Although the Council completed the report required in Section 401(b)(5), it is the intention of the Committee that the Council should continue to act as an overseer of laws and programs in the Federal government by reviewing statutes and assessing incentives and disincentives for persons with disabilities. Therefore, the Committee has integrated Section 401(b) (1), (3), and (4) of the current law into Section 401(a)(4) of this Act.

In addition, the Committee directs the Council to issue a report which will establish goals to be reached by the year 2000 in each of the following areas: employment, income, transportation, housing, community living, education, discrimination, health services, and participation in community activities. The Committee expects the Council to periodically review, revise, and update these goals. Beginning on January 30, 1989, and every year thereafter, the Committee requests a report outlining the progress of the nation in meeting such goals.

The Committee bill deletes Section 403(b)(4) since it is related to a one-time transfer of funds from the Office of Special Education and Rehabilitative Services which is no longer applicable.

TITLE VI—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Section 601. Reauthorization

Section 601 of the Committee bill amends Section 502(i) of the Act in order to extend authorization for the Architectural and Transportation Barriers Compliance Board through 1990.

Section 602. Special reports

Section 602 of the Committee bill amends Section 502(g) of the Act to require the Board to submit two reports by February 1, 1988, on transportation barriers faced by handicapped individuals, and the Board activities in the area of housing needs of handicapped individuals.

It has been eleven years since Congress received the first report on the housing and transportation needs of handicapped individuals from the Architectural and Transportation Barriers Compliance Board. Many changes have taken place since that time relative to the design and implementation of barrier-free living. There are more disabled persons working in the competitive labor market whose needs, with respect to housing and transportation, are not being met. The Committee feels that this new report will provide needed information and legislative recommendations to assist the Congress in making a concerted effort to improve the availability of housing and transportation to disabled individuals.

Section 603. Electronic equipment accessibility

Section 603 of the Committee bill amends Title V of the Act to add a new Section 508 dealing with electronic office equipment accessibility.

In response to the special needs of individuals with handicaps, Congress passed laws to require that programs and buildings be accessible. The National Council on the Handicapped (NCH) also incorporated requirements for equipment accessibility in their recommendations to Congress on the reauthorization of the Rehabilitation Act. The Committee feels, now that architectural barriers are being eliminated, it is important that the equipment housed within these facilities is also accessible to individuals with handicaps.

Many current standard microcomputer software programs, copy machines, and other automated office equipment cannot be used by disabled people. With appropriate low cost and no cost modifications, the number of individuals who could use such equipment would multiply signficantly. Other modifications would also greatly facilitate the attachment of special input and output systems and further decrease the cost for such modifications. In addition these changes would benefit mass market users as well by providing them with a wider variety of options. The current direction in which automated systems are evolving will automatically encompass most of the required features and capabilities if they are properly implemented. In discussion with engineers and designers of computers, the National Institute of Handicapped Research found that many of the desired changes could have been included in the original design of the computer at minimal cost if the developers had been aware of their importance.

In response to this need, the White House Committee for Equal Access to Standard Computers and Information Systems, the National Institute of Handicapped Research, and representatives from the computer industry have been involved in developing guidelines for the design of computers and information processing systems to increase their access by persons with disabilities. The goal of these guidelines is to provide an awareness of the different types of problems as well as the focal point for listing possible solution strategies. The content of the guidelines document reflect the combined contributions of industry, researchers and consumers.

The Committee is aware that an Interagency Committee on Computer Support for Handicapped Employees has been established by the General Services Administration to help agencies acquire information technology systems that are accessible. As the federal government's main purchasing agent, GSA has recognized the need for language in procurement contracts that would ensure new office equipment could be used by disabled employees. The Committee intends that the Assistant Secretary for Special Education and Rehabilitative Services works with the Interagency Committee on Computer Support for Handicapped Employees to develop the guidelines.

It is the Committee's intent to have the Assistant Secretary for Special Education and Rehabilitative Services through the National Institute of Handicapped Research and in consultation with the electronics industry and the Interagency Committee to establish guidelines for electronic equipment accessibility. The design of such equipment should ensure that handicapped individuals may use electronic office equipment with or without special peripherals.

Furthermore, after September 30, 1986, the Administrator of the General Services Administration shall adopt the guidelines for electronic equipment accessibility and be responsible for assuring that each agency comply with the guidelines. These guidelines shall be applicable to all Federally procured electronic equipment, whether purchased or leased.

TITLE VII—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Section 702. Projects with industry

Section 702 of the Committee bill amends Section 617 of the Act of extend the authorization for Projects With Industry through 1990. Projects With Industry has been part of the Rehabilitation Act since 1968 when the Department of Health, Education and Welfare was given authority to fund cooperative arrangements for rehabilitation organizations and private employers to develop job placement programs to provide competitive employment for persons with disabilities. Over the past 18 years PWI has funded many innovative projects which have included major corporations, unions, rehabilitation facilities, small businesses, advocacy organizations and national trade associations. The Committee feels that PWI has been successful in attaining its goals of placing disabled persons into competitive jobs.

The Committee has added a purpose section to the Act to recognize the PWI program as a method of promoting opportunities for the competitive employment of individuals with handicaps and to engage the leadership and talent of private industry. The purpose statement reflects the goals of PWI to concentrate on competitive placements and to involve the business community in a meaningful way. Evaluation of PWI at the project level is also addressed by the bill. Each project must provide assurance that evaluation reports are submitted to the RSA Commissioner detailing the number of disabled persons assisted, the type of assistance, sources of program funding, resources committed, change in employment status and earnings for PWI participants and comparative data with previous years.

The Committee bill also addressed the need for continuation funding for current projects. PWI success has been due in large part to the ongoing relationships the projects have developed with the business community. This has been accomplished primarily through the Business Advisory Councils which help the PWI identify the real job needs of the community, the level of training needed, and when appropriate, identify sites for training and possible job openings. It is the long term relationships that are developed that have gained the support of the business community. An assessment of PWI for the U.S. Department of Education in April 1983 found that there was a need for "greater assurance of stable federal support for project operations" from program respondents. Until now, PWI has been operated as a demonstration project with no assurance of continued funding from one grant cycle to the next, regardless of the merits of the particular program.

For this reason, the Committee has provided that current projects will continue to be funded through September 30, 1987 so long as they are in compliance with their agreement with the Department. At that time, projects which meet standards put forth by the Department will continue to receive assistance for three years. In any future competitions for grant awards, consideration of past performance must be included. The Committee intends that subsequent grant awards shall be for three-year time periods.

Section 704. Supported employment services for severely handicapped individuals

Section 704 of the Committee bill amends Title VI of the Act to add a new part C which will enable states to develop supported employment services for severely handicapped individuals. The Committee has included this new section in response to national demonstrations and a growing body of research which clearly indicates the benefits and successes associated with supported employment models as means of enabling many severely handicapped individuals to achieve employment in integrated community settings. The

Committee has authorized this new Part C of Title VI to enable all States rehabilitation agencies to provide training and time limited post employment services leading to supported employment.

The Committee measure establishes a formula-grant program for each State based on population, with an authorization of $25 million for fiscal year 1987. In order to ensure adequate funding for each State, the Committee bill makes the program applicable only when appropriations for Part C are $5 million or greater.

State plan

In order to be eligible for grants under this new section, each State must submit a State plan supplement as part of its State plan under Title I of the Act which outlines numerous requirements and assurances established by the Committee bill. The Committee recognizes that States are at different points in provision of supported employment services, and expects State plans to initially reflect those varying levels of expertise. The Committee has expressly indicated that plans should be revised annually as necessary in order to reflect the growing expertise of the State agency in providing authorized services.

Because of the variance in State rehabilitation agencies in providing supported employment services, the Committee bill authorizes planning grants under the new Part C program which will be available to States during the first eighteen months of implementation of their program. States may elect to apply for a planning grant in lieu of their allotment under Title VI–C if necessary. The Committee believes that for those States that elect this option, an 18-month planning period will be sufficient to enable them to meet the requirements of their State plan and implement a system of supported employment services.

Services

The Committee bill states that services may be provided under the new Part C program to any severely handicapped individual whose ability or potential to engage in a training program and whose ability to engage in a supported employment setting has been determined by an evaluation of rehabilitation potential, as amended by the Committee bill, defined in Section 7 of the Act. The Committee has authorized States to utilize some of their funds under the part C program to assist with the evaluations which are conducted under Title I of the Act. The Committee bill also indicates that evaluations authorized under Part C are intended to be supplemental to those already provided under Title I.

The Committee measure clearly indicates that the services provided by the State rehabilitation agency under the new Part C program are not designed as a long-term support program for that agency, but rather as a time-limited entry into supported employment through the State rehabilitation agency with the expectation that other State agencies and organizations will be responsible for the long-term support associated with this approach. The Committee bill does not define "time-limited", feeling that the appropriate length of time for support to be provided through the rehabilitation agency should be determined by the State and based on the needs of each severely handicapped individual.

The Committee bill provides that a State is not restricted from providing training and time-limited post-employment services leading to supported employment through the State allotment under Title I of the Act. Indeed, the Committee is impressed with the successes of those State agencies who have already chosen to provide such services. It is the intent of the Committee that the new Part C program not supplant such services where they already exist, but that the new program be used to complement and expand existing services.

TITLE VIII—SERVICES OF INDEPENDENT LIVING

The Committee is impressed by the overall accomplishments of the Independent Living program, and has made serveral additions which are intended to strengthen the philosophic integrity of the program and to ensure its continued development in a manner consistent with the basic principle of consumer involvement and consumer control which are fundamental to the concept of independent living.

Section 801 of the Committee bill amends Section 702(b) of the Act to replace "recreational activities" with "recreational services" under those services which may be provided under independent living. This reflects the Committee's belief that recreation resources should move beyond the provision of specific activities and instead be aimed towards maximizing independence and community integration.

Section 802 of the Committee bill amends Section 705(a) of the Act to include a new State plan requirement for assuring that the State will consider the recommendations of the new authorized State independent living council in determining how independent living services will be expanded or modified. The Committee has authorized this new council in Section 803 of the Committee bill. The purpose of the council is to provide comprehensive and coordinated recommendations to the State agency for the planning, development, and expansion of independent living programs and services.

The Committee's intent in establishing this council within the Rehabilitation Act is to increase the focus at the State level on independent living services, to broaden community involvement in independent living, to promote a more comprehensive and coordinated approach toward planning and providing these services and to generally increase awareness of the significant contributions to independent living programs. The new State council should provide leadership in order to ensure that the overall independent living service delivery system is structured to provide comprehensive, coordinated independent living services and advocacy to disabled individuals statewide.

In states where there currently exists more than one designated state unit providing rehabilitation services, the Committee expects the directors of such units will work cooperatively in appointing the members of the state independent living council. This will ensure that the interests of all disabled individuals in the state are represented on the council.

Centers for independent living

Section 804 of the Committee bill amends Section 711(b) of the Act to add a new requirement that each independent living center have a board which is composed of a majority of handicapped individuals. By specifying that each center have a board with a majority of handicapped individuals, the Committee expects that direction and operation of these centers will more accurately reflect the needs and priorities of the constituents they serve.

The Rehabilitation Act has included language requiring substantial involvement by persons with disabilities in the planning and operation of independent living centers. Disabled people in every state have demonstrated their ability to play key roles in the Independent Living Centers by serving as board members, advisory group members, directors, and staff of centers. The Committee believes it is appropriate that the principal governing body of each center be composed of a majority of handicapped individuals and that this is consistent with the fundamental principles and philosophy of independence upon which this program is based.

Section 805 of the Committee bill amends Section 711 of the Act to strengthen the evaluation and review process for current independent living center grantees. The Committee feels that the Federal role with respect to independent living centers is to ensure the provision of a foundation of support for these centers that will enable them to attract additional public and private support at Federal, State and local levels. Continued funding for a period of time of centers which are operating according to prescribed standards and principles of good business assures that these centers will be able to attract the additional support required to expand programs to meet the independent living service and advocacy needs of all severely disabled people in the communities which they serve. The Committee bill includes a section which will continue funding for the period of reauthorization for all centers which were funded under the provisions of Title VII in fiscal year 1986, and which meet the standards described in this section, and the provisions of the approved application of the grantee. The Committee intends that there be a one year "grace period" during which time centers which do not currently comply with the aforementioned standards will have an opportunity to do so. After that time, only centers which meet the standards and the provisions of the approved application of the grantee, will continue to receive funds for three years. The Committee intends that past performance, including compliance with standards, will be considered when applications are considered for funding beyond the period of reauthorization. The Committee intends that subsequent grant awards shall be for three-year periods.

The Committee recognizes that all Independent Living Centers served under Section 711 must be in compliance with the standards approved by the National Council on the Handicapped. However, the Committee further recognizes that some currently existing Independent Living Centers serve primarily the specific needs of discrete disability groups, such as the visual and hearing impaired, and offer critical services to these individuals. The Committee therefore intends that these existing Independent Living Centers be able to continue to meet the needs of these discrete groups while seeking to serve individuals with a range of disabilities.

TITLE XI—HELEN KELLER NATIONAL CENTER

Section 901. Reauthorization

Section 901 of the Committee bill amends Section 205(a) of the Helen Keller National Center Act to extend authorization of this program at such sums as necessary through 1990.

TITLE X—TECHNICAL AND MISCELLANEOUS PROVISIONS

Section 1001. Technical amendments

Section 1001 of the Committee bill makes numerous technical and conforming amendments.

Section 1002. President's Committee on Employment of the Handicapped

Section 1002 of the Committee bill amends the authorizing legislation for the President's Committee on Employment of the Handicapped so that such committee shall be guided by the general policies of the National Council on the Handicapped. The Committee believes that the President's Committee on Employment of the Handicapped should coordinate its activities with those of the National Council on the Handicapped to provide a cohesive approach to meeting the employment needs of our nation's disabled citizens.

Section 1003. Civil rights remedies equalization

Section 1003 of the Committee bill clarifies the intent of Congress where violations of Section 504 by recipients of Federal financial assistance are concerned.

These provisions are derived from S. 1579 and Amendment No. 584 thereto, introduced on August 1, 1985, by Senator Cranston, and cosponsored by Senators Stafford, Kennedy, Weicker, Kerry, Riegle, Simon, Burdick and Metzenbaum.

The Supreme Court in *Atascadero State Hospital* v. *Scanlon,* 473 U.S. ——, 87 L.Ed.2d 171, 105 S.Ct. 3142 (1985), held that the Eleventh Amendment bars suits against States and State agencies in Federal court for retroactive monetary relief under Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. Sec. 794. Justice Powell, writing for the majority, noted that the Eleventh Amendment bars a citizen from bringing suit against his or her own State in Federal court but that there are certain exceptions to this prohibition. The Court stated explicitly that these exceptions include a waiver of immunity by a State and congressional power to limit the amendment when legislating pursuant to Section 5 of the Fourteenth Amendment and clearly implied that an exception could be provided under the Spending Clause. Justice Powell found that none of these exceptions applied here because a state waiver was lacking and Congress had not abrogated the Eleventh Amendment by an unequivocal expression of congressional intent.

The Supreme Court's decision misinterpreted congressional intent. Such a gap in Section 504 coverage was never intended. It would be inequitable for Section 504 to mandate state compliance with its provisions and yet deny litigants the right to enforce their rights in Federal courts when State or State agency actions are at issue. In order to make certain that the States are covered by Section 504, the Rehabilitation Act Amendments of 1986 provide that states shall not be immune under the Eleventh Amendment from suit in Federal court for violations of Section 504. In addition, since language similar to that of Section 504 is contained in Title IX of the Education Amendments of 1972, 20 U.S.C. Sec. 1681, Title VI of the Civil Rights Act of 1964, 42 U.S.C. Sec. 2000d, and the Age Discrimination Act of 1975, 42 U.S.C. Sec. 6102, these statutes have also been included in the specific abrogation of state immunity in the Committee bill. Other Federal statutes which prohibit discrimination by recipients of Federal financial asistance are also included. Section 1003 also explicitly provides that in a suit against a State for a violation of any of these statutes, remedies, including monetary damages, are available to the same extent as they would be available for such a violation in a suit against any public or private entity other than a State. This is in keeping with our intent to provide litigants in cases against States and State agencies the same protection they have in other situations.

Finally, this provision takes effect with respect to violations that occur in whole or in part after the date of enactment of this legislation.

IV. Tabulation of Votes Cast in Committee

In Executive Session of the Committee on Labor and Human Resources on Wednesday, August 6, 1986, S. 2515 as amended, passed unanimously.

V. Cost Estimate

U.S. Congress,
Congressional Budget Office,
Washington, DC, August 8, 1986.

Hon. Orrin G. Hatch,
Chairman, Committee on Labor and Human Resources,
U.S. Senate, Washington, DC.

Dear Mr. Chairman: The Congressional Budget Office has prepared the attached cost estimate for S. 2515, the Rehabilitation Act Amendments of 1986, as ordered reported by the Senate Labor and Human Resources Committee on August 6, 1986.

If you wish further details on this estimate, we will be pleased to provide them.

With best wishes,
Sincerely,

Edward Gramlich
(For Rudolph G. Penner).

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

1. Bill number: S. 2515.
2. Bill title: Rehabilitation Act Amendments of 1986.
3. Bill status: As ordered reported by the Senate Committee on Labor and Human Resources on August 6, 1986.

4. Bill purpose: The primary purpose of this bill is to amend and extend through 1990 the authorization for appropriations for the programs under the Rehabilitation Act of 1973 and the Helen Keller National Center Act. This bill is subject to subsequent appropriations action.

5. Estimated cost to the Federal Government:

[By fiscal year, in millions of dollars]

	1987	1988	1989	1990	1991
Estimated authorization levels:					
Basic grants to States for vocational rehabilitation services	132	1,325	1,385	1,445	
Additional grants for vocational rehabilitation services	82	86	90	95	
Innovation and expansion grants	18	18	19	20	
Grants to Indian Tribes	14	14	15	15	
Client assistance	7	8	8	8	
National Institute of Handicapped Research:					
Expenses	9	9	10	10	
Grants	49	52	55	58	
Grants for construction of rehabilitation facilities	2	2	2	3	
Vocational training services for handicapped individuals	8	9	9	10	
Training	31	33	35	37	
Comprehensive rehabilitation centers	2	3	3	3	
Special projects	16	17	18	19	
Special demonstration programs	9	10	11	11	
Special recreation programs	2	2	3	3	
National Council on the Handicapped	(1)	(1)	(1)	(1)	−1
Architectural and transportation barriers Compliance Board	3	3	3	3	
Community services employment	16	17	18	19	
Projects with industry	16	17	18	19	
Business opportunities	16	17	18	19	
Supported employment services for severely handicapped individuals	25	26	28	30	
Comprehensive services for independent living	12	12	13	14	
Centers for independent living	24	26	27	29	
Services for older blind individuals	5	6	6	6	
Protection and advocacy	7	8	8	8	
Helen Keller Center	5	5	5	5	
Total:					
Authorization level	510	1,725	1,807	1,889	−1
Estimated outlays	393	1,446	1,788	1,870	434

(1) Less than $500,000.

The costs of this bill fall within function 500.

Basis of estimate

This cost estimate of S. 2515, the Rehabilitation Act Amendments of 1986, includes the new and extended authorizations for programs under the Rehabilitation Act of 1973.

Basic grants to states are currently authorized for fiscal year 1987. The estimated budget authority for these grants in 1987 reflects the increase in the authorization level from the level estimated under current law to the newly stated level. The outyears reflect the 1987 level stated in the bill adjusted for inflation according to the procedures stated in current law. Estimated outlays reflect current program spending patterns.

All other programs in the bill are authorized at either stated levels or at such sums as may be necessary. With some exceptions, estimated levels for such sums authorization reflect the most recent stated authorization levels adjusted for inflation. Where no previous stated authorization level exists, CBO has used the most recent appropriation level, adjusted for inflation. Exceptions are detailed below.

The estimate for grants to Indian tribes is the maximum allowed under current law—one percent of the amount of grants to states. The National Council on the Handicapped, permanently authorized under current law, would not be authorized only through 1990 under this bill. The 1991 estimate reflects this bill's effect of withdrawing the Council's authorization for that year. Because the council is already authorized for 1987 through 1990 under the permanent authorization, the estimates for those years show only the additional cost of less than $500,000 for carrying out the additional responsibilities proposed for the Council in this bill.

The Barriers Compliance Board is estimated at the stated maximum authorization level of $3 million. The level for expenses for the National Institute of Handicapped Research is based on an estimate from the Department of Education that administration of research grants and other functions requires a funding level of approximately 15 percent of the total funding for the Institute. In the estimate for employment opportunities, CBO assumes that funding levels for community service employment and for business opportunities would be similar to stated authorization levels for projects with industry. In the estimate for protection and advocacy, CBO assumes that intended funding levels for these grants to states would be similar to the stated grants levels for the client assistance program.

Outlay estimates assume full appropriation of estimated authorization levels. Outlays reflect the current program spending rate of 77 percent the first year and the remainder the following year.

6. Estimated cost to State and local government: The basic grants to states require a 20 percent match of federal funds. The minimum matching requirement is estimated to total $341 million in 1987, increasing to $385 in 1990.

Other grant programs in this bill would partially or fully pay for project costs to state and local governments, nonprofit organizations, institutions of higher education, and business and industry.

7. Estimate comparison: None.

8. Previous CBO estimate: On March 14, 1986, CBO submitted a cost estimate for H.R. 4021, the Rehabilitation Act Amendments of 1986 as ordered reported by the House Committee on Education and Labor on March 11, 1986. CBO estimated the total authorization level of that bill to be $529 million in 1987, $1741 million in 1988, $1821 million in 1989, $1901 million in 1990, and $1988 million in 1991.

9. Estimate prepared by: Ken Pott.

10. Estimate approved by: C.G. Nuckols (for James L. Blum, Assistant Director for Budget Analysis).

VI. REGULATORY IMPACT STATEMENT

The Committee anticipates that regulations for the sections of the Act which are amended by this legislation will need to be revised. The regulatory reform needed as a result of these revisions is expected to impose only a minimal paperwork burden. Regulations will need to be written for the new Title VI Part C of the Act which is proposed in the bill.

VII. SECTION-BY-SECTION ANALYSIS

TITLE I—GENERAL PROVISIONS AMENDMENTS

Section 101. Statement of purposes

This section amends section 2 of the Act to specify that the purpose of the Act, with regard to handicapped individuals, is to maximize employability, independence, and integration into the workforce and the community.

Section 102. Rehabilitation Services Administration

This section amends section 3 of the Act by requiring the Secretary to ensure that the staffing of the Rehabilitation Services Administration is sufficient to meet program needs and is maintained at levels that will attract and keep the most qualified personnel. Staff are to include individuals with training and experience in the provision of rehabilitation services, and staff competencies are to meet professional standards.

Section 103. Definitions

Subparagraph (a) amends section 7(b) of the Act to provide that the term "evaluation of rehabilitation potential" include an evaluation of the individual's employability. The evaluation is to include, where appropriate, the provision of rehabilitation engineering services to assess capacity to perform in a work environment. Subparagraph (a) also amends section 7(5) to include in the diagnostic study an evaluation of recreational factors.

Subparagraph (b) amends section 7 of the Act by adding a new paragraph (6) defining "employability" to mean that, with the provision of vocational rehabilitation services, the individual is likely to enter full-time employment, and, when appropriate, part-time employment in the competitive labor market or any other vocational outcome the Secretary may determine.

Subsection (c) amends section 7 of the Act by adding a new paragraph (12) to define "rehabilitation engineering" to mean the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of individuals with handicaps in areas including education, rehabilitation, employment, transportation, independent living, and recreation.

Subparagraph (d) amends section 7 (redesignated paragraph (13)) of the Act to provide that the term "rehabilitation facility" include facilities that provide psychosocial rehabilitation services for individuals with chronic mental illness.

Subsection (e) amends section 7 (redesignated paragraph (15)) of the Act to provide that the term "severe handicap" means a physical or mental disability that seriously limits one or more functional capacities in terms of employability and requires multiple vocational rehabilitation services over an extended period of time. The disability can result from one of a list of 26 specified impairments or any other impairment determined to cause comparable substantial functional limitation.

Subsection (f) amends section 7 of the Act by adding paragraph (18) to define the term "supported employment" to mean competitive work in integrated work settings for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or has been interrupted or intermittent, as a result of a severe disability. Such persons need on-going support services to perform such work. The term includes transitional employment for individuals with mental illness. The definition includes language specifying that, for the purposes of the Act, supported employment may be considered an acceptable outcome for employability.

Section 104. Monitoring, evaluation and administration

This section amends section 12 of the Act by deleting language authorizing the Commissioner to provide staff to the National Council on the Handicapped and by adding language authorizing the Commissioner to provide monitoring and evaluation of programs authorized under the Act. The Commissioner is also authorized to appoint task forces to collect and disseminate information to improve the administration of the Act.

Section 105. Evaluation

This section amends section 14 of the Act by deleting the authorization to use control groups for evaluation purposes and by inserting in place of such language the authorization to use appropriate methodology and evaluative research designs. This section also gives the Commissioner, rather than the Secretary, responsibility for the evaluation of all programs authorized under the Act.

Section 106. Transfer of funds

This section amends section 16 of the Act to require that not more than one-half of one percent of the funds appropriated for discretionary grants, contracts, or cooperative agreements authorized under the Act are to be used for non-Federal panels of experts to review such grants, contracts, or cooperative agreements.

Section 107. Review of applications

This section adds section 17 to the Act to require that grants or contracts in excess of $125,000 to be funded under the Act be reviewed by a panel of experts, a majority of whom are to be non-Federal members.

TITLE II—VOCATIONAL REHABILITATION SERVICES

Section 201. Authorization of appropriations

Subsection (a) amends section 100(b)(1) of the Act to extend the authorization of appropriations for the basic State grant program from FY 1987 through FY 1990. There is authorized to be appropriated $1.281 billion for FY 1987 with increases through FY 1990 to be in accordance with increases in the consumer price index (CPI). Such sums as may be necessary are also authorized through FY 1990. A ceiling on funds authorized for appropriation for the basic State grant program is repealed.

Subsection (b) amends section 100(b)(2) of the Act to extend the authorization of such sums as may be necessary from FY 1987 through FY 1990 for innovation and expansion grants authorized under section 120 of the Act.

Subsection (c) amends section 100(b)(3) to extend through FY 1990 the authorization for grants to Indian tribes for vocational rehabilitation services.

Section 202. State plans

Subsection (a) amends section 101(a)(5) of the Act to require that the State plan for vocational rehabilitation services include a plan to expand and improve services to individuals served under the new part C of title VI of the Act. (Part C of title VI authorizes supported employment services for severely handicapped individuals.) The State plan is also to include the results of a statewide assessment of the rehabilitation needs of severely handicapped individuals. Where States include an order of selection in the State plan, justification is to be provided for the order of selection. This subsection also adds a requirement that State plans describe how rehabilitation engineering services will be provided to assist an increasing number of persons with handicaps.

Subsection (b) amends section 101(a)(11) of the Act to authorize States to enter into cooperative arrangements with mental community support programs.

Subsection (c) amends section 101(a)(15) of the Act by requiring State plans to provide for a full assessment of the needs of individuals with severe handicaps.

Subsection (d) amends section 101(a) of the Act by adding paragraph 23 requiring the State plan to provide assurances that the State has an acceptable plan for part C of title VI.

Section 203. Individualized Rehabilitation Program

Subsection (a) amends section 102(b) of the Act to require the Individualized Written Rehabilitation Program (IWRP) to be developed to achieve the vocational objective of the individual, which is based on a determination of employability. The IWRP is to include a statement of the specific rehabilitation engineering services to be provided, where appropriate. The IWRP is to include a statement of the long-range and intermediate rehabilitation goals for the individual. The IWRP is also to provide for an assessment of the need and post-employment services prior to case closure, and, for severely handicapped persons, the IWRP is to describe how such services are to be provided through cooperative agreements with other providers. The IWRP is to include an evaluation procedure and schedule for evaluating goals and objectives. Finally, the IWRP is to be reviewed annually.

Subsection (b) amends section 102(d) of the Act to provide that a review of the IWRP requested by a handicapped individual, or the parent or guardian, shall be held before an impartial hearing officer (rather than remain the responsibility of the Director of the State vocational rehabilitation agency). The review is to be based on the provisions of the approved State plan.

Section 204. Vocational rehabilitation services

This section amends section 103(a) of the Act to include rehabilitation engineering services as an authorized vocational rehabilitation service under the basic State grant program.

Section 205. Client Assistance Program

Subsection (a) amends section 112(a) of the Act by authorizing client assistance programs to provide information on services under the Act to any handicapped individual in the State.

Subsection (b) amends section 112(c) of the Act to specify that only in the initial designation of the agency to conduct the client assistance program may the Governor designate an agency that provides treatment or services to handicapped persons under the Act. In addition, the Governor may not redesignate the administering agency without good cause and only after notice has been given to handicapped individuals of the intention to redesignate.

Subparagraph (c) amends section 112(e) of the Act to provide that, for any fiscal year in which funds appropriated exceed $7.5 million, the minimum allotment is to be $75,000 for the States (rather the current $50,000) and $45,000 for the territories (rather than the current $30,000). In addition, the Commissioner may increase the minimum allotment to States for any fiscal year in which the appropriation for the client assistance program exceeds the previous year's appropriation by more than the percentage incease in the CPI. The allotment approved for the client assistance program is to be paid to the agency designated to conduct the client assistance program and not to the Governor (as is currently authorized).

Subsection (e) amends section 112(i) of the Act to authorize for appropriation for the client assistance program $7.1 million in FY 1987, $7.55 million in FY 1988, $8.0 million in FY 1989, and $8.45 million in FY 1990.

TITLE III—RESEARCH AND TRAINING

Section 301. Reauthorization

This section amends section 201(a) of the Act to authorize such sums as may be necessary for the National Institute of Handicapped Research (NIHR) through FY 1990. For the purposes of carrying out the program of rehabilitation research authorized under section 204 of the Act, the following amounts are authorized for appropriation: $49 million for FY 1987, $52 million for FY 1988, $55 million for FY 1989, and $58 million for FY 1990. Of these amounts, the following amounts will be available to develop two rehabilitation engineering centers, one of which is to be located in South Carolina and one in Connecticut: $1 million for FY 1987, $1.05 million for FY 1988, $1.1025 million for FY 1989, and $1.16 million for FY 1990.

Section 302. National Institute of Handicapped Research

This section requires the research and training center in the Pacific Basin to utilize appropriate technology, develop a culturally relevant manpower development program, and implement advanced information technology.

Section 304. Research

Subsection (a) amends section 204(a) of the Act to authorize grants for studies, analyses, and other activities related to supported employment.

Subsection (b) amends section 204(b)(1) of the Act to require that peer review of all applications for renewal of rehabilitation research and training center grants shall take into account past performance of the applicant. A limit on indirect cost charges for host institutions affiliated with the research and training centers is to be set at 15 percent of the amount of the research grant. Section 204(b)(2) of the Act is amended by adding clause (C) which requires that in FY 1987, at least two rehabilitation engineering centers will be established, one in South Carolina and one in Connecticut.

Subsection (c) amends section 204(b) of the Act by adding paragraph (14) authorizing demonstration projects to provide incentives for the development, manufacture, and marketing of orphan technological devices designed to enable handicapped individuals to achieve independence and accessibility to gainful employment.

Subsection (d) amends section 204 of the Act by adding subsection (d) requiring site visits as part of the peer review for all research grants of $300,000 or more.

TITLE IV—SUPPLEMENTAL SERVICES AND FACILITIES

Section 401. Grants for construction

This section amends section 301(a) of the Act by authorizing such sums as may be necessary for the construction of rehabilitation facilities through FY 1990; funds are to be made available through FY 1991.

Section 402. Vocational training

This section amends section 302(a) of the Act by authorizing such sums as may be necessary for vocational training services through FY 1990.

Section 403. Training

This section amends section 304(a) of the Act to authorize grants for personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of persons with severe handicaps. Training grants are to be targeted to areas of personnel shortage, which may include rehabilitation engineering, rehabilitation dentistry, physical education, and therapeutic recreation. Training grants are also authorized to assist in the training of specialized personnel to provide training for supported employment and other specialized personnel needed to serve the severely handicapped. There are authorized to be appropriated $31 million for FY 1987, $33 million for FY 1988, $35 million for FY 1989, and $37 million for FY 1990.

Section 404. Rehabilitation centers reauthorization

This section amends section 305 of the Act by reauthorizing such sums as may be necessary through FY 1990 for comprehensive rehabilitation centers.

Section 405. Special projects reauthorization

This section amends section 310 of the Act by authorizing for appropriation for special projects (excluding sections 311(d), 311(e) and 316)) the following amounts: $15.86 million for FY 1987, $16.79 million for FY 1988, $17.8 million for FY 1989, and $18.9 million for FY 1990.

Section 406. Special demonstration programs

This section amends section 311 of the Act by adding subsection (d) which authorizes the Commissioner to make grants for the cost of developing special projects and demonstrations providing supported employment. At least one such grant is to be nationwide in scope and is to identify models that can be replicated. This grant is to explore the uses of existing community-based rehabilitation facilities and other community-based programs for the delivery of supported employment services. The Commissioner is authorized to provide grants for the cost of providing technical assistance to States in implementing the new part C of title VI of the Act. An annual report is required that lists the grants awarded under this subsection, the number of individuals served by each grant recipient, the average cost of service to each individual, the average wages paid, and recommendations of the nationwide projects. The following amounts are authorized to be appropriated to carry out the provisions of this subsection: $9.0 million in FY 1987, $9.52 million in FY 1988, $10.08 million in FY 1989, and $10.69 million in FY 1990.

This section also amends section 311 of the Act by adding subsection (e) which authorizes the Commissioner to make grants to develop model statewide transitional planning services for severely handicapped youth. One such grant is to be made to a public agency in a predominantly urban State in New England for an existing model statewide transitional planning services program. A second grant is to be made to a public agency in a predominantly rural western State, and a third is to be made to a public agency or nonprofit private organization in a predominantly rural southwestern State. The following amounts are authorized to be appropriated to carry out the provisions of this subsection: $450,000 for FY 1987, $475,830 for FY 1988, $504,427 for FY 1989, and $535,550 for FY 1990.

Section 407. Special recreation programs

This section amends section 316 of the Act to specify that grants are to help provide recreational activities that aid in the independence and community integration of handicapped individuals. Whenever possible, recreational programs funded under this section are to be provided in settings with nondisabled peers. Grants shall be made for a minimum of a three-year period. To the extent possible, existing resources will be used to carry out the activities for which the grants are made, and such activities are not to be carried out during school hours. The following amounts are authorized to be appropriated for this section: $2.33 million for FY 1987, $2.47 million for FY 1988, $2.62 million for FY 1989, and $2.78 million for FY 1990.

TITLE V—NATIONAL COUNCIL ON THE HANDICAPPED

Section 501. Purpose of the Council

This section amends section 400(a) of the Act by stating that the purpose of the council is to promote the full integration, independence, and productivity of handicapped individuals in the community, schools, and workplace and all other aspects of American life.

Section 502. Duties of the Council

Subsection (a) amends section 401(a)(4) of the Act to require the council to review and evaluate on a continuing basis all policies, programs, and activities for handicapped individuals conducted or assisted by the Federal government, including programs under this Act and under the Developmental Disabilities Assistance and Bill of Rights Act, to assess their effectiveness to meeting the needs of handicapped individuals. Specifically, the council is to assess the extent to which these policies provide incentives or disincentives to the establishment of community-based services for handicapped individuals and promote integration into the community.

Subsection (b) amends section 401(b) of the Act to require the council to issue, within six months of enactment, a report examining relevant data regarding handicapped individuals and recommending goals to be reached by the year 2000. Annual reports are to be submitted outlining the progress of the Nation in meeting these goals. Such sums as may be necessary are authorized for the council through FY 1990.

TITLE VI—ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Section 601. Reauthorization

This section amends section 502(i) of the Act to reauthorize the board through FY 1990.

Section 602. Special reports

This section amends section 502(g) of the Act to require the board to prepare two special reports: one on its activities in the area of transportation barriers of handicapped individuals, and the other on its activities in the area of housing needs of handicapped individuals. The reports are to be submitted by February 1, 1988.

Section 603. Electronic equipment accessibility

This section adds section 508 to the Act to require the Secretary, through the NIHR and in consultation with the electronics industry, to develop guidelines for electronic equipment accessibility to insure that handicapped individuals may use such equipment with or without special adaptations. Guidelines are to be established not later than October 1, 1987, and are to be continually revised as technologies change. On or after September 30, 1988, the Administrator of the General Services Administration is to adopt guidelines for electronic equipment accessibility for Federal procurement purposes; each Federal agency is to comply with these guidelines.

TITLE VII—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Section 701. Community service employment reauthorization

This section amends section 617 of the Act to reauthorize community service employment programs through FY 1990.

Section 702. Projects with industry

Subsection (a) amends section 621(a) of the Act by adding a statement of purpose emphasizing the promotion of opportunities for competitive employment for handicapped persons and the need to engage the talents and leadership of the private sector in the rehabilitation process. Any agreement for a project with industry is to provide for a business advisory council to identify job availability within the community, the skills needed to fill the jobs, and necessary training programs. This requirement is to take effect one year after enactment of these amendments.

Subsection (b) amends section 621(b) of the Act to require an annual evaluation report, containing specified data, from each of the projects with industry.

Subsection (c) amends section 621(d)(1) to require that the program standards for projects with industry be revised as necessary.

Subsection (d) amends section 621 of the Act by adding a new subsection (e) authorizing the Commissioner to provide technical assistance to existing and planned projects.

Subsection (e) amends section 621 (redesignated subsections (f) and (g)) of the Act to authorize each grantee receiving assistance in FY 1986 to continue to receive assistance in FY 1987, unless a grantee is found to be out of compliance with the approved grant application. These grantees are to be evaluated using approved program standards, and are to continue to receive assistance for three years unless found to be out of compliance with program standards and with the approved grant application. Evaluation reports are to be reviewed annually to determine whether the grantee is in compliance and whether financial assistance is to continue. Competition for new grant awards for projects with industry is to include consideration of past performance. Priority for new grants is to be given to geographic areas currently not served or currently underserved.

Section 703. Projects with industry reauthorization

This amends section 623 of the Act to authorize the following amounts for appropriation for projects with industry: $16.07 million for FY 1987, $17.01 million for FY 1988, $18.03 million for FY 1989, and $19.14 million for FY 1990.

Section 704. Supported Employment Services for Severely Handicapped Individuals

Subsection (a) adds part C to title VI of the Act to authorize a State allotment program for training and short-term post-employment services leading to supported employment for severely handicapped individuals. Services may be provided to any severely handicapped individuals whose ability to engage in a supported employment setting has been determined by an evaluation of rehabilitation potential. The minimum State allotment is to be $250,000 or one-third of one percent of the amount appropriated, whichever is greater. In the first year for which funds are appropriated, a State may apply for an 18-month planning grant in lieu of receiving its allotment for services. Planning grants are not to exceed $250,000. To receive an allotment for training and time-limited post-employment services leading to supported employment, States are to submit a three-year plan for use of these funds as part of the title I State plan for basic vocational rehabilitation services. To carry out the supported employment program, States are to make maximum use of services from public agencies, private nonprofit organizations, and other appropriate resources in the community. The State vocational rehabilitation agency is to be the agency designated to carry out the supported employment program. This designated agency is not to spend more than five percent of the State allotment on administrative costs. Services authorized under part C are to include evaluation of rehabilitation potential, provision of job trainers, training, job development, and follow-up services. Extended supported employment is to be provided by relevant State and private organizations. Nothing in part C is to be construed to prohibit a State from carrying out training and time-limited post-employment services leading to supported employment under the title I State vocational rehabilitation program. The following amounts are authorized to be appropriated for the part C supported employment program: $25 million for FY 1987, $26.47 million for FY 1988, $28.06 for FY 1989, and $29.73 million for FY 1990.

Subsection (b) provides that the requirements of subsection (a) are not to apply in any fiscal year in which the appropriation for supported employment services does not equal or exceed $5 million. This provision is repealed on September 30, 1990.

TITLE VIII—SERVICES FOR INDEPENDENT LIVING

Section 802. State plan assurance

This section amends section 705(a) of the Act to require the State to consider recommendations of the State independent living council in determining how independent living services will be expanded or modified.

Section 803. State Independent Living Council

This section adds section 706 to title VII of the Act to establish a State independent living council in each State receiving funds under title VII. The council is to provide guidance for the development and expansion of independent living programs on a statewide basis, and to submit a five-year plan including long-term goals and recommendations. The council is to be composed of representatives of State, local and nongovernmental agencies concerned with independent living services, handicapped individuals or their parents or guardians, directors of independent living centers and representatives of private businesses employing, or interested in employing, handicapped individuals. Handicapped persons and parents or guardians of handicapped persons are to compose a majority of council membership. Members are appointed by the director of the State agency administering these programs. The chairperson of the council is also to serve as member of any State advisory committee primarily concerned with the provision of rehabilitation services and other advisory committees concerned with services to handicapped individuals.

Section 804. Grants for Centers for Independent Living

This section amends section 711(b) of the Act to require that each independent living center have a board, which is to be composed of a majority of handicapped individuals. This requirement is to take effect one year after the date of enactment of these amendments.

Section 805. Evaluation and Review of Independent Living Centers

Subsection (a) amends section 711(e)(1) of the Act to provide that standards for independent living centers are to be revised as necessary.

Subsection (b) amends section 711 of the Act to require that each independent living center grantee receiving assistance in FY 1986 is to continue to receive assistance through FY 1987, unless there is a determination of noncompliance with the approved application. These grantees are to be evaluated using approved program standards, and are to continue to receive assistance for three years unless found to be out of compliance with program standards and with the approved grant application. Competition for new grant awards for centers for independent living is to include consideration of past performance. Priority for new grants is to be given to areas currently not served or currently under-served by independent living centers.

Section 806. Authorization of Appropriations

This section amends section 741 of the Act to authorize for appropriation the following amounts:

For part A State allotments for independent living services: $11.83 million for FY 1987, $12.31 million for FY 1988, $13.05 million for FY 1989, and $13.86 million for FY 1990.

For part B centers for independent living: $24.32 million for FY 1987, $25.75 million for FY 1988, $27.3 million for FY 1989, and $28.98 million for FY 1990.

For part C independent living services for older blind individuals: $5.29 million for FY 1987, $5.6 million for FY 1988, $5.93 million for FY 1989, and $6.3 million for FY 1990.

For part D protection and advocacy of individual rights: such sums as necessary through FY 1990.

TITLE IX—HELEN KELLER NATIONAL CENTER

Section 901. Reauthorization

This section amends section 205(a) of the Helen Keller Center Act to authorize such sums as may be necessary through FY 1990.

TITLE X—TECHNICAL AMENDMENTS AND MISCELLANEOUS PROVISIONS

Section 1001. Technical Amendments

This section consists of technical amendments to the Act.

Section 1002. President's Committee on Employment of the Handicapped

This section provides that the President's Committee on Employment of the Handicapped is to be guided by the general policies of the National Council on the Handicapped.

Section 1003. Civil Rights Remedies Equalization

This section provides that a State shall not be immune under the Eleventh Amendment of the Constitution of the United States from suit in Federal court for a violation of section 504 of the Rehabilitation Act of 1973, title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, title VI of the Civil Rights Act of 1964, or the provisions of any other Federal statute prohibiting discrimination by recipients of Federal financial assistance. In a suit against a State for a violation of any of these statutes, remedies are to be available for such violation to the same extent as such remedies are available for such a violation in the suit against any public or private entity other than a State. These provisions are to take effect with respect to violations that occur in whole or in part after the date of enactment of the Rehabilitation Act Amendments of 1986.

Section 1004. Effective Date

This section provides that the Rehabilitation Act Amendments of 1986 are to take effect October 1, 1986.

VIII. Changes in Existing Law

In compliance with rule XXVI paragraph 12 of the Standing Rules of the Senate, the following provides a print of the statute or the part or sections thereof to be amended or replaced (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

Rehabilitation Act of 1973

(AS AMENDED BY PUBLIC LAW 98-221)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act with the following table of contents, may be cited as the "Rehabilitation Act of 1973".

TABLE OF CONTENTS

Sec. 2. Declaration of purpose.
Sec. 3. Rehabilitation Services Administration.
Sec. 4. Advance funding.
Sec. 5. Joint funding.
Sec. 6. Consolidated rehabilitation plan.
Sec. 7. Definitions.
Sec. 8. Allotment percentage.
Sec. 9. Audit.
Sec. 10. Nonduplication.
Sec. 11. Application of other laws.
Sec. 12. Administration of the Act.
Sec. 13. Reports.
Sec. 14. Evaluation.
Sec. 15. Information clearinghouse.
Sec. 16. Transfer of funds.
Sec. 17. Review of applications.

TITLE I—VOCATIONAL REHABILITATION SERVICES

PART A—GENERAL PROVISIONS

Sec. 100. Declaration of purpose; authorization of appropriations.
Sec. 101. State plans.
Sec. 102. Individualized written rehabilitation program.
Sec. 103. Scope of vocational rehabilitation services.
Sec. 104. Non-Federal share for construction.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

Sec. 110. State allotment.
Sec. 111. Payments to States.
Sec. 112. Client assistance program.

PART C—INNOVATION AND EXPANSION GRANTS

Sec. 120. State allotments.
Sec. 121. Payments to States.

PART D—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

Sec. 130. Vocational rehabilitation services grants.
[Sec. 131. Evaluation.]

TITLE II—RESEARCH

Sec. 200. Declaration of purpose.
Sec. 201. Authorization of appropriations.
Sec. 202. National Institute of Handicapped Research.
Sec. 203. Interagency committee.
Sec. 204. Research.

TITLE III—SUPPLEMENTARY SERVICES AND FACILITIES

PART A—MISCELLANEOUS PROGRAMS

Sec. 300. Declaration of purpose.
Sec. 301. Grants for construction of rehabilitation facilities.
Sec. 302. Vocational Training Services for handicapped individuals.
Sec. 303. Loan guarantees for rehabilitation facilities.
Sec. 304. Training.
Sec. 305. Comprehensive rehabilitation centers.
Sec. 306. General grant and contract requirements.

PART B—SPECIAL PROJECTS

Sec. 310. Authorization of appropriations.
Sec. 311. Special demonstration programs.
Sec. 312. Migratory workers.
Sec. 314. Reader services for the blind.
Sec. 315. Interpreter services for the deaf.
Sec. 316. Special Recreational Programs.

TITLE IV—NATIONAL COUNCIL ON THE HANDICAPPED

Sec. 400. Establishment of National Council on the Handicapped.
Sec. 401. Duties of National Council.
Sec. 402. Compensation of National Council members.
Sec. 403. Staff of National Council.
Sec. 404. Administrative powers of National Council.
Sec. 405. Authorization of appropriations.

TITLE V—MISCELLANEOUS

Sec. 500. Effect on existing laws.
Sec. 501. Employment of handicapped individuals.
Sec. 502. Architectural and Transportation Barriers Compliance Board.
Sec. 503. Employment under Federal contracts.
Sec. 504. Nondiscrimination under Federal grants.
Sec. 505. Remedies and attorneys' fees.
Sec. 506. Secretarial responsibilities.
Sec. 507. Interagency Coordinating Council.
Sec. 508. Electronic equipment accessibility.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Sec. 601. Short title.

PART A—COMMUNITY SERVICE EMPLOYMENT PROGRAMS FOR HANDICAPPED INDIVIDUALS

Sec. 611. Establishment of program.
Sec. 612. Administration.
Sec. 613. Participant not Federal employees.
Sec. 614. Interagency cooperation.
Sec. 615. Equitable distribution of assistance.
Sec. 616. Definitions.
Sec. 617. Authorization of appropriations.

PART B—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

Sec. 621. Projects with industry.
Sec. 622. Business opportunities for handicapped individuals.
Sec. 623. Authorization of appropriations.

PART C—SUPPORTED EMPLOYMENT SERVICES FOR SEVERELY HANDICAPPED INDIVIDUALS

Sec. 631. Purpose.
Sec. 632. Eligibility.
Sec. 633. Allotments.
Sec. 634. State plan.
Sec. 635. Services; availability and comparability.
Sec. 636. Restriction.
Sec. 637. Savings provision.
Sec. 638. Authorization of appropriations.

TITLE VII—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

PART A—COMPREHENSIVE SERVICES

Sec. 701. Purpose.
Sec. 702. Eligibility.
Sec. 703. Allotments.
Sec. 704. Payments to States from allotments.
Sec. 705. State plans.
Sec. 706. State Independent Living Council.

PART B—INDEPENDENT LIVING CENTERS

Sec. 711. Grant Program established.

PART C—INDEPENDENT LIVING SERVICES FOR OLDER BLIND INDIVIDUALS

Sec. 721. Service program established.

PART D—GENERAL PROVISIONS

Sec. 731. Protection and advocacy of individual rights.

Sec. 732. Employment of handicapped individuals.

PART E—AUTHORIZATIONS

Sec. 741. Authorization of appropriations.

DECLARATION OF PURPOSE

SEC. 2. The purpose of this Act is to develop and implement, through research, training, services, and the guarantee of equal opportunity, comprehensive and coordinated programs of vocational rehabilitation and indpendent living, *for individuals with handicaps in order to maximize their employability, independence, and integration into the workplace and the community.*

REHABILITATION SERVICES ADMINISTRATION

SEC. 3. (a) There is established in the Office of the Secretary a Rehabilitation Services Administration which shall be headed by a Commissioner (hereinafter in this Act referred to as the "Commissioner") appointed by the President by and with the advice and consent of the Senate. Except for titles IV and V and Part A of title VI and as otherwise specifically provided in this Act, such Administration shall be the principal agency, and the Commissioner shall be the principal officer, of such Department for carrying out this Act. In the performance of his functions, the Commissioner shall be directly responsible to the Secretary or to the Under Secretary or an appropriate Assistant Secretary of such Department, as designated by the Secretary. The functions of the Commissioner shall not be delegated to any officer not directly responsible, both with respect to program operation and administration, to the Commissioner. Any reference in this Act to duties to be carrier out the Commissioner shall be considered to be a reference to duties to be carried out by the Secretary acting through the Commissioner. In carrying out any of his functions under this Act, the Commissioner shall be guided by general policies of the National Council on the Handicapped established under Title IV of this Act.

(b) The Secretary shall take whatever action is necessary to insure that funds appropriated pursuant to this Act, as well as unexpended appropriations for carrying out the Vocational Rehabilitation Act (29 U.S.C. 31-42), are expended only for the programs, personnel, and administration of programs carried out under this Act.

(c) The Secretary shall take such action as necessary to ensure that—

(1) the staffing of the Rehabilitation Services Administration shall be in sufficient numbers to meet program needs and at levels which will attract and maintain the most qualified personnel; and

(2) such staff includes individuals who have training and experience in the provision of rehabilitation services and that staff competencies meet professional standards.

ADVANCE FUNDING

SEC. 4. (a) For the purpose of affording adequate notice of funding available under this Act, appropriations under this Act are authorized to be included in the appropriations Act for the fiscal year preceding the fiscal year for which they are available for obligation.

(b) In order to effect a transition to the advance funding method of timing appropriation action, the authority provided by subsection (a) of this section shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

JOINT FUNDING

SEC. 5. Pursuant to regulations prescribed by the President, and to the extent consistent with the other provisions of this Act, where funds are provided for a single project by more than one Federal agency to an agency or organization assisted under this Act, the Federal agency principaly involved may be designated to act for all in administering the funds provided, and, in such cases, a single non-Federal share requirement may be established according to the proportion of funds advanced by each agency. When the principal agency involved is the Rehabilitation Services Administration, it may waive any grant or contract requirement (as defined by such regulations) under or pursuant to any law other than this Act, which requirement is inconsistent with the similar requirements of the administering agency under or pursuant to this Act.

CONSOLIDATED REHABILITATION PLAN

SEC. 6. (a) In order to secure increased flexibility to respond to the varying needs and local conditions within the State, and in order to permit more effective and interrelated planning and operation of its rehabilitation programs, the State may submit a consolidated rehabilitation plan which includes the State's plan under section 101(a) of this Act and its program for persons with development disabilities under the Developmental Disabilities Services and Facilities Construction Amendments of 1970: Provided, that the agency administering such State's program under such Act concurs in the submission of such a consolidated rehabilitation plan.

(b) Such a consolidated rehabilitation plan must comply with, and be administered in accordance with, all the requirements of this Act and the Development Disabilities Services and Facilities Construction Amendments of 1970. If the Secretary finds that all such requirements are satisfied, he may approve the plan to serve in all respects as the substitute for the separate plans which would otherwise be required with respect to each of the programs included therein, or he may advise the State to submit separate plans for such programs.

(c) Findings of noncompliance in the administration of an approved consolidated rehabilitation plan, and any reduction, suspensions, or terminations of assistance as a result thereof, shall be carried out in accordance with the procedures set forth in subsection (c) and (d) of section 101 of this Act.

DEFINITIONS

SEC. 7. For the purposes of this Act:

(1) The term "construction" means the construction of new buildings, the acquisition, expansion, remodeling, alteration, and renovation of existing buildings, and initial equipment of such buildings, and the term "cost of construction" includes architects' fees and acquisition of land in connection with construction but does not include the cost of offsite improvements.

(2) The term "criminal act" means any crime, including an act, omission, or possession under the law of the United States or a State or unit of general local government which poses a substantial threat of personal injury, notwithstanding that by reason of age, insanity, intoxication or otherwise the person engaging in the act, omission, or possession was legally incapable of committing a crime.

(3) The term "designated State unit" means (A) any State agency unit required under section 101(a)(2)(A) of this Act, or (B) in cases in which no such unit is so required, the State agency described in section 101(a)(B)(i) of this Act.

(4) The term "establishment of a rehabilitation facility" means the acquisition, expansion, remodeling, or alteration of existing buildings necessary to adapt them to rehabilitation facility purposes or to increase their effectiveness for such purposes (subject, however, to such limitation the Secretary may determine, in accordance with regulation he shall prescribe, in order to prevent impairment of the objectives of, or duplication, of other Federal laws providing Federal assistance in the construction of such facilities), and may include such additional equipment and staffing as the Commissioner considers appropriate.

(5) The term "evaluation of rehabilitation potential" means, as appropriate in each case;

(A) a preliminary diagnostic study to determine that the individual has a substantial handicap to employment, and that vocational rehabilitation services are needed;

(B) a diagnostic study consisting of a comprehensive evaluation of pertinent medical, psychiatric, psychological vocational, educational, cultural, social, recreational, and environmental factors which bear on the individual's handicap to employment and rehabilitation potential including, to the degree needed, an evaluation of the individual's *employability*, personality, intelligence level, educational achievements, work experience, vocational aptitudes and interests, personal and social adjustments, employment opportunities, and other pertinent data helpful in determining the nature and scope of services needed;

(C) an appraisal of the individual's patterns of work behavior and ability to acquire occupational skill, and to develop work attitudes, work habits, work tolerance, and social behavior patterns suitable for successful job performance, including the utilization of work, simulated or real, to assess and develop the individual's capacities to perform adequately in a work environment;

(D) any other goods or services provided for the purposes of ascertaining the nature of the handicap and whether it may reasonably be expected that the individual can benefit from vocational rehabilitation services;

(E) referral;

(F) the administration of these evaluation services; [and]

(G)(i) the provision of vocational rehabilitation services to any individual for a total period not in excess of eighteen months for the purpose of determining whether such individual is a handicapped individual, a handicapped individual for whom a vocational goal is not possible or feasible (as determined in accordance with section 102(c), or neither such individual; and (ii) an assessment, at least once in every ninety-day period during which such services are provided, of the results of the provision of such services to an individual to ascertain whether any of the determinations described in subclause (i) may be made [.]; and

(H) where appropriate, the provision of rehabilitation engineering services to any individual with a handicap to assess and develop the individual's capacities to perform adequately in a work environment.

(6) The term "employability," with respect to an individual, means a determination that, with the provision of vocational rehabilitation services, the individual is likely to enter or retain, as a primary objective, full-time employment, and when appropriate, part-time employment, consistent with the capacities or abilities of the individual in the competitive labor market or any other vocational outcome the Secretary may determine.

[(6)] *(7)* The term "Federal share" means 80 per centum, except that it shall mean 90 per centum for the purposes of part C of title I of this Act and as specifically set forth in section 301(b)(3); Provided, That with respect to payments pursuant to part B of Title I of this Act to any State which are used to meet the costs of construction those rehabilitation facilities identified in section 103(b)(2) in such State, the Federal share shall be the percentages determined in accordance with the provisions of section 301(b)(3) applicable with respect to the State and that, for the purpose of determining the non-Federal share with respect to any State, expenditures by a political subdivision thereof or by a local agency shall, subject to such limitations and conditions as the Secretary shall by regulation prescribe, be regarded as expenditures by such State.

[(7)] *(8)* Except as otherwise provided in subparagraph (B), the term "handicapped individual" means any individual who (i) has a physical or mental disability which for such individual constitutes or results in a substantial handicap to employment and (ii) can reasonably be expect to benefit in terms of employability form vocational rehabilitation services provided pursuant to titles I and III of this Act.

(B) Subject to the second sentence of this subparagraph, the term "handicapped individual" means, for the purposes of title IV and V of this Act, any person who (i) has a physical or mental impairment which substantially limits one or more of such person's major life activities (ii) has a record of such an impairment, or (iii) is regarded as having such an impairment. For purposes of sections 503 and 504 as such sections relate to employment such term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol or drugs prevents such individual from performing the duties of the job in question or whose employment, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

[(8)**]** *(9)* The term "local agency" means an agency of a unit of general local government or of an Indian tribal organization (or combination of such units or organizations) which has an agreement with the State agency designated pursuant to section 101(a)(1) to conduct a vocational rehabilitation program under the supervision of such State agency in accordance with the State plan approved under section 1010. Nothing in the preceding sentence of this paragraph or in section 101 shall be construed to prevent the local agency from utilizing another local public or nonprofit agency to provide vocational rehabilitation services: Provided, That such an arrangement is made part of the agreement specified in this paragraph.

[(9)**]** *(10)* The term "nonprofit", when used with respect to a rehabilitation facility, means a rehabilitation facility owned and operated by a corporation or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and the income of which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954.

[(10)**]** *(11)* The term "public safety officer" means a person serving the United States or a State or unit of general local government, with or without compensation, in any activity pertaining to—

(A) the enforcement of the criminal laws, including highway patrol, or the maintenance of civil peace by the National Guard or the Armed Forces,

(B) a correctional program, facility, or institution where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoner, probationers, or parolees,

(C) a court having criminal or juvenile delinquent jurisdiction where the activity is potentially dangerous because of contact with criminal suspects, defendants, prisoners, probationers, or parolees, or

(D) firefighting, fire prevention, or emergency rescue missions.

(12) The term "rehabilitation engineering" means the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of and address the barriers confronted by individuals with handicaps in areas which include education, rehabilitation, employment, transportation, independent living, and recreation.

[(11)**]** *(13)* The term "rehabilitation facility" means a facility which is operated for the primary purpose of providing vocational rehabilitation services to handicapped individuals, and which provides singly or in combination one or more of the following services for handicapped individuals: (A) vocational rehabilitation services which shall include, under one management, medical, psychiatric, psychological, social, and vocational services, (B) testing, fitting or training in the use of prosthetic and orthotic devices, (C) prevocational conditioning **[**or**]** *and* recreational therapy, (D) physical and occupational therapy, (E) speech and hearing therapy, (F) *psychiatric,* psychological and social services, (G) evaluation of rehabilitation potential, (H) personal and work adjustment, (I) vocational training with a view toward career advancement (in combination with other rehabilitation services), (J) evaluation or control of specific disabilities, (K) orientation and mobility services to the blind, and (L) extended employment for those handicapped individuals who cannot be readily absorbed in the competitive labor market, except that all medical and related health services must be prescribed by, or under the formal supervision of, persons licensed to prescribe or supervise the provisions of such services in the State**[**.**]** *, and (M) psychosocial rehabilitation services for individuals with chronic mental illness.*

[(12)**]** *(14)* The term "Secretary", except when the context otherwise requires, means the Secretary of Education.

[(13) The term "severe handicap" means the disability which requires multiple services over an extended period of time and results from amputation, blindness, cancer, cerebral palsy, cystic fibrosis, deafness, heart disease, hemiplegia, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, neurological disorders, (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, renal failure, respiratory or pulmonary dysfunction, and any other disability specified by the Secretary in regulations he shall prescribe.**]**

(15) The term "severe" with respect to an individual means an individual with handicaps—

(i) who has a severe physical or mental disability which seriously limits one or more functional capacities (such as mobility, communication, self-care, self-direction interpersonal skills, work tolerance, or work skills) in terms of employability;

(ii) whose vocational rehabilitation can be expected to require multiple vocational rehabilitation services over an extended period of time; and

(iii) who has one or more physical or mental disabilities resulting from amputation, arthritis, autism, blindness, burn injury, cancer, cerebral palsy, cystic fibrosis, deafness, head injury, heart disease, hemiplegia, hemophilia, respiratory or pulmonary dysfunction, mental retardation, mental illness, multiple sclerosis, muscular dystrophy, musculo-skeletal disorders, neurological disorders, (including stroke and epilepsy), paraplegia, quadriplegia, and other spinal cord conditions, sickle cell anemia, specific learning disability, end-stage renal disease, or other disability or combination of disabilities determined on the basis of an evaluation of rehabilitation potential to cause comparable substantial functional limitation.

[(14)**]** *(16)* The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, and the Trust Territory of the Pacific Islands, and for the purposes of American Samoa and the Trust Territory of the Pacific Islands, the appropriate State agency designated as provided in section 101(a)(1) shall be the Governor of American Samoa or the High Commissioner of the Trust Territory of the Pacific Islands, as the case may be.

[(15)] *(17)* The term "vocational rehabilitation services" means those services identified in section 103 which are provided to handicapped individuals under this Act.

(18) The term "supported employment" means competitive work in integrated work settings—

(A) for individuals with severe handicaps for whom competitive employment has not traditionally occurred, or

(B) for individuals for whom competitive employment has been interrupted or intermittent as a result of a severe disability, and

who, because of their handicap, need on-going support services to perform such work. Such term includes transitional employment for individuals with chronic mental illness. For the purpose of this Act, supported employment as defined in this paragraph may be considered an acceptable outcome for employability.

ALLOTMENT PERCENTAGE

Sec. 8. (a)(1) The allotment percentage for any State shall be 100 per centum less that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of the United States, except that (A) the allotment percentage shall in no case be more than 75 per centum or less than 33⅓ per centum, and (B) the allotment percentages for the District of Columbia, Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall be 75 per centum.

(2) The allotment percentages shall be promulgated by the Secretary between October 1 and December 31 of each even-numbered year, on the basis of the average of the per capita incomes of the States and of the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years in the period beginning on the October 1 next succeeding such promulgation.

(3) The term "United States" means (but only for purposes of this subsection) the fifty States and the District of Columbia.

(b) The population of the several States and of the United States shall be determined on the basis of the most recent data available, to be furnished by the Department of Commerce by October 1 of the year preceding the fiscal year for which funds are appropriated pursuant to statutory authorizations.

AUDIT

Sec. 9. Each recipient of a grant or contract under this Act shall keep such records as the Secretary may prescribe, including records, which fully disclose the amount and disposition by such grant or contract, the total cost of the project or undertaking in connection with which such grantor contract is made or funds thereunder used, the amount of that portion of the cost of the project or undertaking supplied by other sources and such records as will facilitate an effective audit. The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant or contract under this Act which are pertinent to such grant or contract.

NONDUPLICATION

SEC. 10. In determining the amount of any State's Federal share of expenditures for planning, administration, and services incurred by it under a State plan approved in accordance with section 101, there shall be disregarded (1) any portion of such expenditures which are financed by Federal funds provided under any other provision of law, and (2) the amount of any non-Federal funds required to be expended as a condition of receipt of such Federal funds. No payment may be made from funds provided under one provision of this Act relating to any cost with respect to which any payment is made under any other provision of this Act, except that this section shall not be construed to limit or reduce fees for services rendered by rehabilitation facilities.

APPLICATION OF OTHER LAWS

SEC. 11. The provisions of the Act of December 5, 1974 (Public Law 93-510) and of title V of the Act of October 15, 1977 (Public Law 95-134) shall not apply to the administration of the provisions of this Act or to the administration of any program or activity under this Act.

ADMINISTRATION OF THE ACT

SEC. 12. (a) In carrying out the purposes of this Act, the Commissioner may—

(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

(2) provide short-term training and technical instruction;

(3) conduct special projects and demonstrations;

(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under the Act; and

(5) [provide staff and other technical assistance to the National Council on the Handicapped.] *provide monitoring and conduct evaluations.*

(b)*(1)* In carrying out his duties under this Act, the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organization, in accordance with agreements between the Commissioner and the head thereof, and may pay therefor, in advance or by way of reimbursement, as may be provided in the agreement.

(2) In carrying out the provisions of this Act, the Commissioner may appoint such task forces as may be necessary to collect and disseminate information in order to improve the ability of the Commissioner to carry out the provisions of this Act.

(c) The Commissioner may promulgate such regulations as he considers appropriate to carry out his duties under this Act.

(d) There are authorized to be appropriated to carry out this section such sums as may be necessary.

REPORTS

SEC. 13. Not later than one hundred and twenty days after the close of each fiscal year, the Commissioner shall prepare and submit to the President for transmittal to the Congress a full complete report on the activities carried out under this Act. The Commissioner shall annually collect information on each client whose case is closed out in the preceding fiscal year and include the information in the report required by this section. The information shall set forth a complete count of such cases in a manner permitting the greatest possible cross-classification of data. The data elements shall include, but not be limited to, age, sex, race, ethnicity, education, type of disability, severity of disability, key rehabilitation process dates, earnings at time of entry into program and at closure, work status, occupation, cost of case services, types of services provided, types of facilities or agencies which furnished services and whether each such facility or agency is public or private, and reasons for closure. The Commissioner shall take whatever action is necessary to assure that the identity of each client for which information is supplied under this subsection is confidential. Such annual reports shall also include statistical data reflecting services and activities provided individuals during the preceding fiscal year.

EVALUATION

SEC. 14. (a) [The Secretary shall evaluate the impact of all programs authorized by this Act, their general effectiveness in achieving stated goals, and their effectiveness in relation to their cost, their impact on related programs, and their structure and mechanism for delivery of services, including, where appropriate, comparisons with appropriate control groups composed of persons who have not participated in such programs.] *For the purpose of improving program management and effectiveness, the Commissioner shall evaluate all the programs authorized by this Act, their general effectiveness in relation to their cost, their impact on related programs, and their structure and mechanisms for delivery of services, using appropriate methodology and evaluative research designs.* The [Secretary] *Commissioner* shall establish and use standards for the evaluations required by this subsection. The standards shall, to the extent feasible, for all appropriate programs include standards relating to the increases in employment and earnings taking into account economic factors in the area to be served by the program and the characteristics of the handicapped individuals to be served. Evaluations shall be conducted by persons not immediately involved in the administration of the program or project evaluated.

(b) In carrying out evaluations under this section, the [Secretary] *Commissioner* shall, whenever possible, arrange to obtain the opinions of program and project participants about the strengths and weaknesses of the programs and projects.

(c) The [Secretary] *Commissioner* shall annually publish summaries of the results of evaluative research and evaluation of program and project impact and effectiveness, the full contents of which shall be available to the Congress and the public.

(d) The [Secretary] *Commissioner* shall take the necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds shall become the property of the United States.

(e) Such information as the [Secretary] *Commissioner* may deem necessary for purposes of the evaluations conducted under this section shall be made available to him, upon request by the departments and agencies of the executive branch.

(f) There are authorized to be appropriated to carry out this section such sums as may be necessary.

INFORMATION CLEARINGHOUSE

SEC. 15. (a) The Secretary shall establish a central clearinghouse for information and resource availability for handicapped individuals which shall provide information and data regarding (1) the location, provision, and availability of services and programs for handicapped individuals, (2) research and recent medical and scientific developments bearing on handicapping conditions (and their prevention, amelioration, causes, and cures), and (3) the current number of handicapped individuals and their needs. The clearinghouse shall also provide any other relevant information and data which the Secretary considers appropriate.

(b) The Commissioner may assist the Secretary to develop within the Department of Education a coordinated system of information and data retrieval, which will have the capacity and responsibility to provide information regarding the information and data referred to in subsection (a) of this section to the Congress, public and private agencies, and organizations, handicapped individuals and their families, professionals in fields serving such individuals, and the general public.

(c) The office established to carry out the provisions of this section shall be known as the "Office of Information and Resources for the Handicapped".

(d) There are authorized to be appropriated to carry out this section such sums as may be necessary.

TRANSFER OF FUNDS

[SEC. 16. No funds appropriated under this Act for any research program or activity may be used for any purpose than that for which the funds were specifically authorized.]

SEC. 16. (a) Except as provided in subsection (b) of this section, no funds appropriated under this Act for any research program or activity may be used for any purpose other than that for which the funds were specifically authorized.

(b) No more than one-half of 1 percent of funds appropriated for discretionary grants, contracts, or cooperative agreements authorized by this Act may be used for the purpose of providing non-Federal panels of experts to review applications for such grants, contracts, or cooperative agreements.

REVIEW OF APPLICATIONS

Sec. 17. Applications for grants or contracts in excess of $125,000 authorized to be funded under this Act shall be reviewed by panels of experts which shall include a majority of non-Federal members. Non-Federal members may be provided travel, per diem, and consultant fees not to exceed the rate provided for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code.

TITLE I—VOCATIONAL REHABILITATION SERVICES

Part A—General Provisions

DECLARATION OF PURPOSE; AUTHORIZATION OF APPROPRIATIONS

Sec. 100. (a) The purpose of this title is to authorize grants to assist States to meet the current and future needs of handicapped individuals, so that such individuals may prepare for and engage in gainful employment to the extent of their capabilities.

(b)(1)(A) For the purpose of making grants to States under part B of this title (other than grants under section 112) to assist them in meeting the costs of vocational rehabilitation services provided in accordance with State plans under section 101, there is authorized to be appropriated [$1,037,800,000] *$1,281,000,000* for the fiscal year [1984] *1987*, and the amount determined under subsection (c) for each of the fiscal years [1985, 1986, and 1987] *1988, 1989, and 1990.*

(B) In addition, there are authorized to be appropriated for such purpose such additional sums as may be necessary for each of the fiscal years [1985 and 1986] *1987, 1988, 1989, and 1990.* Any amount appropriated pursuant to this subparagraph shall be allocated in accordance with section 110(a)(4).

[(C) In no event may the amount appropriated for the purpose of making grants to States under part B of this title (other than section 112) be more than $1,117,500,000 for the fiscal year 1985 and $1,203,200,000 for the fiscal year 1986.]

(2) For the purpose of allotments under section 120(a)(1), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years [1984, 1985, and 1986] *1987, 1988, 1989, and 1990.*

There are further authorized to be appropriated for such purpose for each such year such additional sums as the Congress may determine to be necessary.

(3) For the purpose of making grants to Indian tribes under part D of this title, there are authorized to be appropriated for each of the fiscal years [1984, 1985, and 1986] *1987, 1988, 1989, and 1990,* in addition to any other amounts authorized to be appropriated under this section, such sums as may be necessary for such fiscal year, but not more than an amount equal to 1 percent of the amount appropriated for that fiscal year under paragraph (1) of this subsection.

(c)(1) No later than November 15 of each fiscal year (beginning with the fiscal year 1979), the Secretary of Labor shall publish in the Federal Register the percentage change in the price index published for October of the preceding fiscal year and October of the fiscal year in which such publication is made.

(2)(A) If in any fiscal year the percentage change published under paragraph (1) indicates an increase in the price index, then the amount authorized to be appropriated under subsection (b)(1) for the subsequent fiscal year is the amount authorized to be appropriated for the fiscal year in which the publication is made under paragraph (1) increased by such percentage change.

(B) If in any fiscal year the percentage change published under paragraph (1) does not indicate an increase in the price index, then the amount authorized to be appropriated under subsection (b)(1) for the subsequent fiscal year is the amount authorized to be appropriated for the fiscal year in which the publication is made under paragraph (1).

(3) For purposes of this subsection, the term "price index" means the Consumer Price Index for All Urban Consumers, published monthly by the Bureau of Labor Statistics.

(d)(1) Unless the Congress in the regular session which ends prior to the beginning of the terminal fiscal year —

"(A) of the authorization of appropriations for the program authorized by the State grant program under part B of this title; or

"(B) of the duration of the program authorized by the State grant program under part B of this title;

either—

"(i) has passed or has formally rejected legislation which would have the effect of extending the authorization or duration (as the case may be) of that program; or

"(ii) by action of either the House of Representatives or the Senate, approves a resolution stating that the provisions of this section shall no longer apply to such program;

such authorization or duration is automatically extended for one additional fiscal year for the program authorized by this title. The amount appropriated for the additional year shall be the amount which the Congress could, under the terms of the law for which the appropriation is made, have appropriated based upon the amount authorized for fiscal year 1986 and the amount authorized under subsection (c).

(2)(A) For the purposes of subdivision (i) of paragraph (1), the Congress shall not have been deemed to have passed legislation unless such legislation becomes law.

(B) In any case where the Commissioner is required under an applicable statute to carry out certain acts or make certain determinations which are necessary for the continuation of the program authorized by this title, if such acts or determinations are required during the terminal year of such program, such acts and determinations shall be required during any fiscal year in which that part of paragraph (1) of this subsection which follows subdivision (ii) of paragraph (1) is in operation."

STATE PLANS

SEC. 101. (a) In order to be eligible to participate in programs under this title, a State shall submit to the Commissioner a State plan for vocational rehabilitation services for a three-year period and, upon request of the Commissioner, shall make such annual revisions in the plan as may be necessary. Each such plan shall—

(1)(A) designate a State agency as the sole State agency to administer the plan, or to supervise its administration by a local agency, except that (i) where under the State's law the State agency for the blind or other agency which provides assistance or services to the adult blind, is authorized to provide vocational rehabilitation services to such individuals, such agency may be designated as the sole State agency to administer the part of the plan under which vocational rehabilitation services are provided for the blind (or to supervise the administration of such part by a local agency) and a separate State agency many be designated as the sole State agency with respect to the rest of the State plan, and (ii) the Commissioner, upon the request of a State, may authorize such agency to share funding and administrative responsibility with another agency of the State or with a local agency in order to permit such agencies to carry out a joint program to provide services to handicapped individuals, and may waive compliance with respect to vocational rehabilitation services furnished under such programs with the requirement of clause (4) of this subsection that the plan be in effect in all political subdivisions of that State;

(B) provide that the State agency so designated to administer or supervise the administration of the State plan, or (if there are two State agencies designated under subclause (A) of this clause) to supervise or administer the part of the State plan that does not relate to services for the blind, shall be (i) a State agency primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, of handicapped individuals, (ii) the State agency administering or supervising the administration of education or vocational education in the State, or (iii) a State agency which includes at least two other major organizational units each of which administers one or more of the major public education, public health, public welfare, or labor programs of the State;

(2) provide, except in the case of agencies described in clause (1)(B)(i)—

(A) that the State agency designated pursuant to paragraph (1) (or each State agency if two are so designated) shall include a vocational rehabilitation bureau, division, or other organizational unit which (i) is primarily concerned with vocational rehabilitation, or vocational and other rehabilitation, or handicapped individuals, and is responsible for the vocational rehabilitation program of such State agency, (ii) has a full-time director, and (iii) has a staff employed on such rehabilitation work of such organizational unit all or substantially all of whom are employed full time on such work; and

(B)(i) that such unit shall be located at an organizational level and shall have an organizational status within such State agency comparable to that of other major organizational units of such agency, or (ii) in the case of an agency described in clause (1)(B)(ii), either that such unit shall be so located and have such status, or that the director of such unit shall be the executive officer of such State agency; except that, in the case of a State which has designated only one State agency pursuant to clause (1) of this subsection, such State may, if it so desires, assign responsibility for the part of the plan under which vocational rehabilitation services are provided for the blind to one organizational unit of such agency, and assign responsibility for the rest of the plan to another organizational unit of such agency, with the provisions of this clause applying separately to each of such units;

(3) provide for financial participation by the State, or if the State so elects, by the State and local agencies to meet the amount of the non-Federal share;

(4) provide that the plan shall be in effect in all political subdivisions, except that in the case of any activity which, in the judgement of the Commissioner, is likely to assist in promoting the vocational rehabilitation of substantially larger numbers of handicapped individuals or groups of handicapped individuals the Commissioner may waive compliance with the requirement herein that the plan be in effect in all political subdivisions of the State to the extent and for such period as may be provided in accordance with regulations prescribed by him, but only if the non-Federal share of the cost of such vocational rehabilitation services is met from funds made available by a local agency (including, to the extent permitted by such regulations, funds contributed to such agency by a private agency, organization, or individual);

(5)(A) contain the plans, policies, and methods to be followed in carrying out the State plan and in its administration and supervision, including *the results of a Statewide assesssment of the rehabilitation needs of individuals with severe handicaps residing within the State and the State's response to the assessment,* a description of the method to be used to expand and improve services to handicapped individuals with the most severe handicaps *including individuals served under part C of title VI of this Act,* and description of the method to be used to utilize existing rehabilitation facilities to the maximum extent feasible; and, in the event that vocational rehabilitation services cannot be provided to all eligible handicapped individuals who apply for such services, show *and provide the justification for* (i) the order to be followed in selecting individuals to whom vocational rehabilitation services will be provided and (ii) the outcomes and service goals and the time within which they may be achieved, for the rehabilitation of such individuals, which order of selection for the provision of vocational rehabilitation services shall be determined on the basis of serving first those individual with the most severe handicaps and shall be consistent with priorties in such order of selection so determined, and outcome and service goals for serving handicapped individuals, established in regulations prescribed by the Commissioner; **[and]**

(B) provide satisfactory assurances to the Commissioner that the State has studies and considered a broad variety of means for providing services to individuals with the most severe handicaps*; and*

(C) describe how rehabilitation engineering services will be provided to assist an increasing number of individuals with handicaps;

(6)(A) provide for such methods of administration, other than methods relating to the establishment and maintenance of personnel standards, as are found by the Commissioner to be necessary for the proper and efficient administration of the plan (including a requirement that the State agency and facilities in receipt of assistance under this title shall take affirmative action to employ and advance in employment qualified handicapped individuals covered under, and on the same terms and conditions as set forth in, section 503); and

(B) provide satisfactory assurances that facilities used in connection with the delivery of services assisted under the plan will comply with the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968;

(7) contain (A) provisions relating to the establishment and maintenance of personnel standards, which are consistent with any State licensure laws and regulations, including provisions relating to the tenure, selection, appointment, and qualifications of personnel, (B) provisions relating to the establishment and maintenance of minimum standards governing the facilities and personnel utilized in and the provisions of vocational rehabilitation services, but the Commissioner shall exercise no authority with respect to the selection, method of selection, tenure of office, or compensation of any individual employed in accordance with such provisions, and (C) provisions relating to the establishment and maintenance of minimum standards to assure the availability of personnel, to the maximum extend feasible, trained to communicate in the client's native language or mode of communication;

(8) provide, at a minimum, for the provision of the vocational rehabilitations services specified in clauses (1) through (3) *and clause (12)* of subsection (a) of section 103, and the remainder of such services specified in such section after full consideration of eligibility for similar benefits under any other program, except that, in the case of the vocational rehabilitation services specified in clauses (4) and (5) of subsection (a) of such section, such consideration shall not be required where it would delay the provision of such services to any individual;

(9) provide that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for vocational rehabilitation services under this Act, (B) such services will be provided under the plan in accordance with such program, and (C) records of the characteristics of each applicant will be kept, specifying, as to those individuals who apply for services under this title and are determined not to be eligible therefor, the reasons for such determinations in such detail as required by the Commissioner in order for him to analyze and evaluate annually the reasons for and numbers of such ineligibility determinations as part of his responsibilities under section 13, and that the State agency will at least annually categorize and analyze such reasons and numbers and report this information to the Commissioer and will, not later than 12 months after each such determination, review each such ineligibility determination accordance with the criteria set forth in section 102;

(10) provide that the State agency will make such reports in such form, containing such information (including the data described in subclause (C) of clause (9) of this subsection, periodic estimates of the population of handicapped individuals eligible for services under this Act in such State, specifications of the number of such individuals who will be served with funds provided under this Act

and the outcomes and service goals to be achieved for such individuals in each priority category specified in accordance with clause (5) of this subsection, and the service costs for each such category), and at such time as the Commissioner may require to carry out his functions under this title, and comply with such provisions as he may find necessary to assure the correctness and verification of such reports;

(11) provide for entering into cooperative arrangements with, and the utilization of the services and facilities of, the State agencies administering the State's public assistance programs, *mental health community support programs,* other programs for handicapped individuals, veterans programs, manpower programs, and public employment offices, and the Social Security Administration of the Department of Health and Human Services, the Veterans' Administration, and other Federal, State, and local public agencies providing services related to the rehabilitation of handicapped individuals (specifically including arrangements for the coordination of services to individuals eligible for services under this Act, the Education of the Handicapped Act, and the Vocational Education Act);

(12)(A) provide satisfactory assurances to the Commissioner that, in the provision of vocational rehabilitation services, maximum utilization shall be made of public or other vocational or technical training facilities or other appropriate resources in the community; and

(B) provide (as approprite) for entering into agreements with the operators of rehabilitation facilities for the provision of services for the rehabilitation of handicapped individuals;

(13)(A) provide that vocational rehabilitation services provided under the State plan shall be available to any civil employee of the United States disabled while in performance of his duty on the same terms and conditions as apply to other persons, and

(B) provide that special considerations will be given to the rehabilitation under this Act of a handicapped individual whose handicapping condition arises from a disability sustained in the line of duty which such individual was performing as a public safety officer and the proximate cause of such disability was a criminal act, apparent criminal act, or hazardous condition resulting directly from the officer's performance of duties in direct connection with the enforcement, execution, and administration of law or fire prevention, firefighting, or related public safety activities;

(14) provide that no residence requirement will be imposed which excludes from services under the plan any individual who is present in the State;

(15) provide for continuing statewide studies of the needs of handicapped individuals and how these needs may be most effectively met [(included] *including conducting a full needs assessment for serving individuals with severe handicaps and including* the capacity and condition of rehabilitation facilities, plans for improving such facilities, and policies for the use thereof by the State [agency)] *agency;* and review of the efficacy of the criteria employed with respect to ineligibility determinations described in subclause (C) of clause (9) of this subsection with a view toward the relative need for services to significant segments of the population

of handicapped individuals and the need for expansion of services to those individuals with the most severe handicaps;

(16) provide for (A) periodic review and reevaluation of the status of handicapped individuals placed in extended employment in rehabilitation facilities (including workshops) to determine the feasibility of their employment, or training for employment, in the competitive labor market, and (B) maximum efforts to place such individuals in such employment or training whenever it is determined to be feasible;

(17) provide that where such State plan includes provisions for the construction of rehabilitation facilities—

(A) the Federal share of the cost of construction thereof for a fiscal year will not exceed an amount equal to 10 per centum of the State's allotment for such year,

(B) the provision of section 306 shall be applicable to such construction and such provisions shall be deemed to apply to such construction, and

(C) there shall be compliance with regulations the Commissioner shall prescribe designed to assure that no State will reduce its efforts in providing other vocational rehabilitation services (other than for the establishment of rehabilitation facilities) because of its plan includes such provisions for construction;

(18) provide satisfactory assurances to the Commissioner that the State agency designated pursuant to clause (1) (or each State agency if two are so designated) and any sole local agency administering the plan in a political subdivision of the State will take into account, in connection with matters of general policy arising in the administration of the plan, the views of individuals and groups thereof who are recipients of vocational rehabilitation services (or, in appropriate cases, their parents or guardians), personnel working in the field of vocational rehabilitation, and providers of vocational rehabilitation services;

(19) provide satisfactory assurances to the Commissioner that the continuing studies required under clause (15) of this subsection, as well as an annual evaluation of the effectiveness of the program in meeting the goals and priorities set forth in the plan, will form the basis for the submission, from time to time as the Commissioner may require, of appropriate amendments to the plan;

(20) provide satisfactory assurance to the Commissioner that, except as otherwide provided in section 130, the State shall provide vocational rehabilitation services to handicapped American Indians residing in the State to the same extent as the State provides such services to other significant segments of the population of handicapped individuals residing in the State;

(21) provide that the State agency has the authority to enter into contracts with profimaking organizations for the purpose of providing on-the-job training and related programs for handicapped individuals under part B of title VI upon a determination by such agency that such profitmaking organizations are better qualified to provide such rehabilitation services than nonprofit agencies and organizations; **[and]**

(22) provide for the establishment and maintenance of information and referral programs (the staff of which shall include, to the

maximum extent feasible, interpreters for the deaf) in sufficient numbers to assure that handicapped individuals within the State are afforded accurate vocational rehabilitation information and appropriate referrals to other Federal and State programs and activities which would benefit time**[.]**; *and*

(23) provide satisfactory assurances that the State has an acceptable plan for part C of title VI.

(b) The Commissioner shall approve any plan which he finds fulfills the conditions specified in subsection (a) of this section, and he shall disapprove any plan which does not fulfill such conditions. Prior to such disapproval, the Commissioner shall notify a State of his intention to disapprove its plan, and he shall afford such State reasonable notice and opportunity for hearing.

(c)(1) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this section, finds that—

(A) the plan has been so changed that it no longer complies with the requirements of subsection (a) of this section; or

(B) in the administration of the plan there is a failure to comply substantially with any provision of such plan.

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that such further payments will be reduced, in accordance with regulations the Commissioner shall prescribe, or that further payments will not be made to the State only for the projects under the parts of the State plan affected by such failure), until he is satisfied there is no longer any such failure. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to projects under those parts of the State plan is which there is no such failure).

(2) The Commissioner may, in accordance with regulations the Secretary shall prescribe, disburse any funds withheld from a State under paragraph (1) to any public or nonprofit private organization or agency within such State or to any political subdivision of such State submitting a plan meeting the requirements of subsection (a). The Commissioner may not make any payment under this paragraph unless the entity to which such payment is made has provided assurances to the Commissioner that such entity will contribute, for purposes of carrying out such plan, the same amount as the State would have been obligated to contribute if the State received such payment.

(d)(1) Any State which is dissatisfied with a final determination of the Commissioner under subsection (b) or (c) may file a petition for judicial review of such determination in the United States Court of Appeals for the circuit in which the State is located. Such a petition may be filed only within the thirty-day period beginning on the date notice of such final determination was received by the State. The clerk of the court shall transmit a copy of the petition to the Commissioner or to any officer designated by him for that purpose. In accordance with section 2112 of title 28, United States Code, the Commissioner shall file with the court a record of the proceeding on which he based the determination being appealed by the State. Until a record is so filed, the Commissioner may modify or set aside any determination made under such proceedings.

(2) If, in an action under this subsection to review a final determination of the Commissioner under subsection (b) or (c), the petitioner or the Commissioner applies to the court for leave to have additional oral submissions or written presentations made respecting such determination, the court may, for good cause shown, order the Commissioner to provide within thirty days an additional opportunity to make such submissions and presentations. Within such period, the Commissioner may revise any findings of fact, modify or set aside the determination being reviewed, or make a new determination by reason of the additional submissions and presentations, and shall file such modified or new determination, and any revised findings of fact, with the return of such submissions and presentations. The court shall thereafter review such new or modified determination.

(3)(A) Upon the filing of a petition under paragraph (1) for judicial review of a determination, the court shall have jurisdiction (i) to grant appropriate relief as provided in chapter 7 of title 5, United States Code, except for interim relief with respect to a determination under subsection (c), and (ii) except as otherwise provided in subparagraph (B), to review such determination in accordance with chapter 7 of title 5, United States Code.

(B) Section 706 of title 5, United States Code, shall apply to the review of any determination under this subsection, except that the standard for review prescribed by paragraph (2)(E) of such section 706 shall not apply and the court shall hold unlawful and set aside such determination if the court finds that the determination is not supported by substantial evidence in the record of the proceeding submitted pursuant to paragraph (1), as supplemented by any additional submissions and presentations filed under paragraph (2).

INDIVIDUALIZED WRITTEN REHABILITATION PROGRAM

SEC. 102. (a) The Commissioner shall insure that the individualized written rehabilitation program, or the specification of reasons for a determination of ineligibility prior to initiation of such program based on preliminary diagnosis, required by section 101(a)(9) in the case of each handicapped individual is developed jointly by the vocational rehabilitation counsel for or coordination and the handicapped individual (or, in appropriate cases, his parents or guardians), and that such programs meets the requirements set forth in subsection (b) of this section. Such written program shall set for the terms and conditions, as well as the rights and remedies, under which goods and services will be provided to the individual, and, as appropriate, such specification of reasons for such an ineligibilty determination shall set forth the rights and remedies, including recourse to the process set forth in subsection (b)(5) of this section, available to the individual in question.

[(b) Each individualized written rehabilitation program shall be reviewed on an annual basis at which time each such individual (or, in appropriate cases, his parents or guardians) will be afforded an opportunity to review such program and jointly redevelop and agree to its terms. Such program shall include, but not be limited to (1) a statement of long-range rehabilitation goals for the individual and intermediate rehabilitation objectives related to the attainment of such goals, (2) a statement of the specific vocational rehabilitation service to be provided, (3) the projected date for the initiation and the anticipated duration of each such service, (4) objective criteria and an evaluation procedure and schedule for determining whether such objectives and goals are being achieved, and (5) where appropriate, a detailed explanation of the availability of a client assistance projected in such area pursuant to section 112.]

(b)(1) Each individualized written rehabilitation program shall—

(A) be developed on the basis of a determination of employability to achieve the vocational objective of the individual;

(B) include a statement of the long-range rehabilitation goals for the individual;

(C) include a statement of the intermediate rehabilitation objectives related to the attainment of such goals;

(D) where appropriate, include a statement of the specific rehabilitation engineering services to be provided to assist in the implementation of intermediate objectives and long-range rehabilitation goals for the individual;

(E) include an assessment of the expected need for post-employment services;

(F) include a statement of the specific vocational rehabilitation services to be provided and the projected dates for the initiation and the anticipated duration of each such service;

(G) include objective criteria and an evaluation procedure and schedule for determining whether such goals and objectives are being achieved;

(H) provide for a reassessment of the need for post-employment services prior to case closure and, where appropriate, for severely handicapped individuals, the development of a statement detailing how such services shall be provided or arranged through cooperative agreements with other service providers; and

(I) provide a description of the availability of a client assistance project established in such area pursuant to section 112.

(2) Each individualized written rehabilitation program shall be reviewed annually at which time such individual (or in appropriate cases, the parents or guardian of the individual) will be afforded an opportunity to review such program and jointly redevelop and agree to its terms. Each individualized written rehabilitation program shall be revised as needed.

(c) The Commissioner shall also insure that (1) in making any determination of ineligibility referred to in subsection (a) of this section, or in developing and carrying out the individualized written rehabilitation program required by section 101 in the case of each handicaped individual, primary emphasis is placed upon the determination and achievement of a vocational goal for such individual, (2) a decision that such an individual is not capable of achieving such a goal and thus not eligible for vocational rehabilitation services provided with assistance under this part, is made only in full consultation with such individual (or, in appropriate cases, his parents or guardians), and only upon the certification, as an amendment to such written program, or as a part of the specification of reasons for an ineligibility determination, as appropriate, that the preliminary diagnosis or evaluation of rehabilitation potential, as appropriate, has demonstrated that such individual is not then capable of achieving such a goal, and (3) any such decision, as an amendment to such written program, shall be reviewed at least annually in accordance with the procedure and criteria established in this section.

[(d)(1) The Director of any designated State unit shall establish procedures for the review of determinations made by the rehabilitation counselor or coordinator under this section, upon the request of a handicapped individual (or, in appropriate cases, his parents or guardians). Such procedures shall include a requirement that the final decision concerning the review of any such determination be made in writing by the Director. The Director may not delegate his responsibility to make any such final decision to any other officer or employee of the designated State unit.

(2) Any handicapped individual (or, in appropriate cases, his parent or guardian) who is not satisfied with the final decision made under paragraph (1) by the Director of the designated State unit may request the Secretary to review such decision. Upon such request the Secretary shall conduct such a review and shall make recommendations to the Director as to the appropriate disposition of the matter. The Secretary may not delegate his responsibilities under this paragraph to any officer of the Department of Education who is employed at a position below that of an Assistant Secretary.]

(d)(1) Any individual with a handicap (and, in appropriate cases, the parent or guardian of the individual) who is not satisfied with any determination or decision by the designated State unit shall have the right to a review of that determination or decision.

(2) The Director of any designated State unit shall establish procedures for the review of determinations made by the rehabilitation counselor or coordinator with respect to either a determination of ineligibility or the development or implementation of the individualized written rehabilitation program. Such review shall occur upon the request of the individual with a handicap (and, in appropriate cases, the parent or guardian of the individual. Such review shall be held before an impartial hearing officer and shall be based on the provisions of the State plan appropriated under section 101(a).

SCOPE OF VOCATIONAL REHABILITATION SERVICES

SEC. 103 (a) Vocational rehabilitation services provided under this Act are any goods or services necessary to render a handicapped individual employable, including, but not limited to, the following:

(1) evaluation of rehabilitation potential, including diagnostic and related services, incidental to the determination of eligibility for, and the nature and scope of, services to be provided, including, where appropriate, examination by a physician skilled in the diagnosis and treatment of mental or emotional disorders, or by a licensed psychologist in accordance with State laws and regulations, or both;

(2) counseling, guidance, referral, and placement services for handicapped individuals, including follow up, follow-along, and other postemployment services necessary to assist such individuals to maintain their employment and services designed to help handicapped individuals secure needed services from other agencies, where such services are not available under this Act;

(3) vocational and other training services for handicapped individuals, which shall include personal vocational adjustment, books, or other training materials and services to the families of such individuals as are necessary to the adjustment or rehabilitation of such individuals: Provided, That no training services in institutions of higher education shall be paid for with funds under this title unless maximum efforts have been made to secure grant assistance, in whole or in part, from other sources to pay for such training;

(4) physical and mental restoration services, including, but not limited to, (A) corrective surgery or therapeutic necessary to correct or substantially modify a physical or mental condition which is stable or slowly progressive and constitutes a substantial handicap to employment, but is of such nature that such correction or modification may reasonably be expected to eliminate or substantially reduce the handicap with a reasonable length of time, (B) necessary hospitalization in connection with surgery or treatment, (C) prosthetic and orthotic devices, (D) eyeglasses and visual services as prescribed by a physician skilled in the diseases of the eye or by an optometrist, whichever the individual may select, (E) special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the treatment of individuals suffering from end-stage renal disease, and (F) diagnosis and treatment and emotional disorders by a physician or licensed psychologist in accordance with State licensure laws;

(5) maintenance, not exceeding the estimated cost of subsistence, during rehabilitation;

(6) interpreter services for deaf individuals, and reader services for those indiviuals determined to be blind after an examination by a physician skilled in the disease of the eye or by an optometrist, whichever the individual may select;

(7) recruitment and training services for handicapped individuals to provide them with new employment opportunities in the fields of rehabilitation, health, welfare, public safety, and law enforcement, and other appropriate service employment;

(8) rehabilititation teaching services and orientation and mobility services for the blind;

(9) occupational licenses, tools, equipment, and initial stocks and supplies;

(10) transportation in connection with the rendering of any vocational rehabilitation service; **[**and**]**

(11) telecommunications, sensory, and other techological aids and devices **[**.**]**; *and*

(12) rehabilitation engineering services.

(b) Vocational rehabilitation services, when provided for the benefit of groups of individuals, may also include the following:

(1) in the case of any type of small business operated by individuals with the most severe handicaps the operation of which can be improved by management services and supervision provided by the State agency, the provision of such services and supervision, along or together with the acquisition by the State agency of vending facilities or other equipment and initial stocks and supplies;

(2) the construction or establishment of public or nonprofit rehabilitation facilities and the provision of other facilities and services (including services offered at rehabilitation facilities) which promise to contribute substantially to the rehabilitation of a group of individuals but which are not related directly to the individualized rehabilitation written program of any one handicapped individual;

(3) the use of existing telecommunications systems (including telephone, television, satellite, radio, and other similar systems) which has the potential for substantially improving service delivery methods, and the development of appropriate programming to meet the particular needs of handicapped individuals; and

(4) the use of services providing recorded material for the blind and captioned films or video cassettes for the deaf.

NON-FEDERAL SHARE FOR CONSTRUCTION

SEC. 104. For the purpose of determining the amount of payments to States for carrying out part B of this title, the non-Federal share, subject to such limitations and conditions as may be prescribed in regulations by the Commissioner, shall include contributions of funds made by any private agency, organization, or individual to a State or local agency to assist in meeting the costs of construction or establishment of a public or nonprofit rehabilitation facility, which would be regarded as State or local funds except for the condition, imposed by the contributor, limiting use of such funds to construction or establishment of a facility.

PART B—BASIC VOCATIONAL REHABILITATION SERVICES

STATE ALLOTMENTS

SEC. 110. (a)(1) For each fiscal year beginning before October 1, 1978, each State shall be entitled to an allotment of an amount bearing the same ratio to the amount authorized to be appropriated under section 100(b)(1) for allotment under this section as the product of (A) the population of the State, and (B) the square of its allotment percentage, bears to the sum of the corresponding products for all the States.

(2)(A) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment in an amount equal to the amount such State received under paragraph (1) for the fiscal year ending September 30, 1978, and an additional amount determined pursuant to subparagraph (B) of this paragraph.

(B) For each fiscal year beginning on or after October 1, 1978, each State shall be entitled to an allotment, from any amount authorized to be appropriated for such fiscal year under section

100(b)(1)(A) for allotment under this section in excess of the amount appropriated under section 100(b)(1)(A) for the fiscal year ending September 30, 1978, in an amount equal to the sum of—

(i) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and the square of its allotment percentage bears to the sum of the corresponding products for all the States; and

(ii) an amount bearing the same ratio to 50 percent of such excess amount as the product of the population of the State and its allotment percentage bears to the sum of the corresponding products for all the States.

(3) The sum of the payment to any state (other than Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands) under this subsection for any fiscal year which is less than one-third of 1 percent of the amount appropriated under section 100(b)(1)(A), or $3,000,000, whichever is greater, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotment to each of the remaining such States under this subsection, but with such adjustments as may be necessary to prevent the sum of the allotments made under this subsection to any such remaining State from being thereby reduced to less than that amount.

(4) For each fiscal year beginning on or after October 1, 1984, for which any amount is appropriated pursuant to section 100(b)(1)(B), each State shall receive an allocation (from such appropriated amount) in addition to the allotment to which such State is entitled under paragraphs (2) and (3) of this subsection. Such additional allocation shall be an amount which bears the same ratio to the amount so appropriated as that State's allotment under paragraphs (2) and (3) of this subsection bears to the sum of such allotments of all the States.

(b)(1) If the payment to a State under section 111(a) for a fiscal year is less than the total payments such State received under section 2 of the Vocational Rehabilitation Act for the fiscal year ending June 30, 1973, such States shall be entitled to an additional payment (subject to the same terms and conditions applicable to other payments under this part) equal to the difference between such payment under section 111(a) and the amount so received by it.

(2) If a State receives as its Federal share under section 111(a) for any fiscal year, as a result of the maintenance of effort provisions of such section, less than 80 percent of the expenditure of such State for vocational rehabilitation services under the plan for such State approved under section 101 (including any amount expended by such State for the administration of the State plan but excluding any amount expended by such State from non-Federal sources for construction under such plan), such State shall be entitled to an additional payment for such fiscal year, subject to the same terms and conditions applicable to other payments under this part, equal to the difference between such payment under section 111(a) and an amount equal to 80 percent of such expenditure for vocational rehabilitation services.

(3) Any payment attributable to the additional payment to a State under this subsection shall be made only from appropriations specifically made to carry out this subsection, and such additional appropriations are hereby authorized.

(c) Whenever the Commissioner determines, after reasonable opportunity for the submission to him of comments by the State agency administering or supervising the program established under this title, that nay payment of an allotment to a State under section 111(A) for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this title to one or more other States to the extent he determines such other State will be able to use such additional amount during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 111. (a) From each State's allotment under this part for any fiscal year (including any additional payment to it under section 110(b), the Commissioner shall pay to such State an amount equal to the Federal share of the cost of vocational rehabilitation services under the plan for such State approved under section 101, including expenditures for the administration of the State plan, except that the total of such payments to such State for such fiscal year may not exceed its allotment under subsection (a) (and its additional payment under subsection (b), if any) of section 110 for such year and such payments shall not be made in an amount which would result in a violation of the provisions of the State plan required by clause (17) of section 101(a), and except that the amount otherwise payable to such State for such year under this section shall be reduced by the amount (if any) by which expenditures from non-Federal sources during such year under this title are less than expenditures under the State plan for the fiscal year ending June 30, 197_, under the Vocational Rehabilitation Act.

(b) The method of computing and paying amounts pursuant to subsection (a) shall be as follows:

(1) The Commissioner shall, prior to the beginning of each calendar quarter or other period prescribed by him, estimate the amount to be paid to each State under the provisions of such subsection for such period, such estimate to be based on such records of the State and information furnished by it, and such other investigation, as the Commissioner may find necessary.

(2) The Commissioner shall pay, from the allotment available therefor, the amount so estimated by him for such period, reduced or increased, as the case may be, by any sum (not previously adjusted under this paragraph) by which he finds that his estimate of the amount to be paid the State for any prior period under such subsection was greater or less than the amount which should have been paid to the State for such prior period under such subsection. Such payment shall be made prior to audit or settlement by the

General Accounting Office, shall be made through the disbursing facilities of the Treasury Department, and shall be made in such installments as the Commissioner may determine.

CLIENT ASSISTANCE PROGRAM

SEC. 112. (a) From funds appropriated under subsection (i), the Secretary shall, in accordance with this section, make grants to States to establish and carry out client assistance programs to provide assistance in informing and advising all clients and client applicants of all available benefit under this Act, and, upon request of such clients or client applicants, to assist such clients or applicants in their relationships with projects, programs, and facilities providing services to them under this Act, including assistance in pursuing legal, administrative, or other appropriate remedies to ensure the protection of the rights of such individuals under this Act. *The client assistance program may provide information on the available services under this Act to any handicapped individuals in the State.*

(b) No State may receive payments from its allotment under this Act in any fiscal year unless the State has in effect not later than October 1, 1984, a client assistance program, which—

(1) has the authority to pursue legal, administrative, and other appropriate remedies to ensure the protection of rights of handicapped individuals who are receiving treatments, services, or rehabilitation under this Act within the State; and

(2) meets the requirements of designation under subsection (c).

(c)(1)*(A)* The Governor shall designate a public or private agency to conduct the client assistance program under this section. Except as provided in the last sentence of this paragraph, the Governor shall designate an agency which is independent of any agency which provides treatment, services, or rehabilitation to individuals under this Act. If there is an agency in the State which has, or had, prior to the date of enactment of the Rehabilitation Amendments of 1984, served as a client assistance agency under this section and which received Federal financial assistance under this Act, the Governor may, *in the initial designation,* designate an agency which provides treatment, services, or rehabilitation to handicapped individuals under this Act.

(B) The Governor may not redesignate the agency designated under subparagraph (A) without good cause and only after notice has been given of the intention to make such redesignation to handicapped individuals or their representatives.

(2) In carrying out the provisions of this section, the Governor shall consult with the director of the State vocational rehabilitation agency, the head of the developmental disability protection and advocacy agency, and with representatives of professional and consumer organizations serving handicapped individuals in the State.

(3) The agency designated under this subsection shall be accountable for the proper use of funds made available to the agency.

(d) The agency designated under subsection (c) of this section may not bring any class action in carrying out its responsibilities under this section.

(e)(1)(A) The Secretary shall allot the sums appropriated for each fiscal year under this section among the States on the basis of relative population of each State, except that no State shall receive less than $50,000.

(B) The Secretary shall allot $30,000 each to American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(C) For the purpose of this paragraph, the term "State" does not include American Samoa, Guam, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(D)(i) In any fiscal year that the funds appropriated for such fiscal year exceed $7,500,000, the minimum allotment shall be $75,000 for States and $45,000 for territories.

(ii) Subject to subsection (c), the Commissioner may increase the minimum allotment under subparagraph (A) for any fiscal year for which funds appropriated under this section for such fiscal year exceed the sums appropriated under this section for the preceding fiscal year by more than the percentage increase in the Consumer Price Index published monthly by the Bureau of Labor Statistics.

(2) The amount of an allotment to a State for a fiscal year which the Secretary determines will not be required by the State during the period for which it is available for the purpose for which allotted shall be available for reallotment by the Secretary from time to time on such dates he may fix other States with respect to which such a determination has not been made, in proportion to the original allotments of such States for such fiscal year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use during such period; and the total of such reduction shall be similarly reallotted amount the States whose proportionate amounts were not so reduced. Any such amount so reallotted to a State for a fiscal year shall be deemed to be a part of its allotment for such fiscal year.

[(3)(A) The Secretary shall pay to the Governor from the allotment of the State the amount specified in the application approved under subsection (f).**]**

(3)(A) The Secretary shall pay to the designated agency from the allotment of the State the amount specified in the application approved under subsection (e).

(B) For the purpose of this paragraph and subsection (c), the term "Governor" means the chief executive of the State.

(f) No grant may be made under this section unless the State submits an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary deems necessary to meet the requirements of the section.

(g) The Secretary shall prescribe regulations applicable to the client assistance program which shall include the following requirements:

(1) No employees of such programs shall, while so employed, serve as staff or consultants of **[**, or receive benefits of any kind directly or indirectly from**]**, any rehabilitation project,

program, or facility receiving assistance under this Act in the State.

(2) Each program shall be afforded reasonable access to policymaking and administrative personnel in the State and local rehabilitation programs, projects, or facilities.

(3) Each program shall contain provisions designed to assure that to the maximum extent possible mediation procedures are used prior to resorting to administrative or legal remedies.

(4) The agency designated under subsection (c) shall submit an annual report to the Secretary on the operation of the program during the previous year, including a summary of the work done and the uniform statistical tabulation of all cases handled by such program. A copy of each such report shall be submitted to the appropriate committees of the Congress by the Secretary, together with a summary of such reports and his evaluation of the program, including appropriate recommendations.

(h)(1) The Commissioner shall conduct a comprehensive evaluation of the client assistance program authorized by this section, and submit a report to Congress, not later than February 1, 1986.

(2) In conducting the study required by this subsection, the Commissioner shall address and report the following information for each State that received a client assistance program grant. The study shall include—

(A) the numbers of handicapped individuals assisted through the client assistance program;

(B) the handicapping conditions of the individuals assisted and the proportion each type of individuals represents of the total population assisted;

(C) the types of services provided, cross-referenced to types of handicapped individuals assisted through each service;

(D) the type of organization or agency which administers the client assistance program;

(E) the physical proximity of the client assistance program to the State vocational rehabilitation agency; and

(F) the type of organization structure used by the client assistance program to deliver services.

(3) In conducting the study the Commissioner shall make the following comparisons:

(A) differences in service delivery patterns in client assistance programs in urban and rural areas;

(B) differences in service delivery patterns among client assistance programs administered in various organizational settings; and

(C) differences in service delivery patterns among client assistance programs established after this reauthorization and those that were established prior to this reauthorization.

(4) The report shall include such recommendations, including recommendations for legislative proposals, as the Commissioner deems necessary.

[(i) There are authorized to be appropriated $6,000,000 for the fiscal year 1984, $6,300,000 for the fiscal year 1985, and $6,700,000 for the fiscal year 1986.]

(i) There are authorized to be appropriated $7,100,000 for fiscal year 1987, $7,550,000 for fiscal year 1988, $8,000,000 for fiscal year 1989, and $8,450,000 for fiscal year 1990 to carry out the provisions of this section.

PART C—INNOVATION AND EXPANSION GRANTS

STATE ALLOTMENTS

SEC. 120. (a)(1) From the sums available pursuant to section 100(b)(2) for any fiscal year for grants to States to assist them in meeting the costs described in section 121, each State shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all the States. The allotment to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to that amount, and for the fiscal year ending June 30, 1974, no State shall receive less than the amount necessary to cover up to 90 per centum of the cost of continuing projects assisted under section 4(a)(2)(A) of the Vocational Rehabilitation Act, except that no such project may receive financial assistance under both the Vocational Rehabilitation Act and this Act for a total period of time in excess of five years. The total of the increase required by the preceding sentence shall be derived by proportionately reducing the allotments to each of the remaining States under the first sentence of this section, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from thereby being reduced to less than $50,000.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this section, he shall make such amount available for carrying out the purposes of this section to one or more other States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount available to a State for any fiscal year pursuant to the preceding sentence shall, for purposes of this part, be regarded as an increase of such State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES

SEC. 121. (a) From each State's allotment under this part for any fiscal year, the Commissioner shall pay to such State or, at the option of the State agency designated pursuant to section 101(a)(1), to a public or nonprofit organization or agency, a portion of the cost of planning, preparing for, and initiating special programs under the State plan approved pursuant to section 101 to expand vocational rehabilitation services, including—

(1) programs to initiate or expand such services to individuals with the most severe handicaps;

(2) special programs under such State plan to initiate or expand services to classes of handicapped individuals who have unusual or difficult problems in connection with their rehabilitation; and

(3) programs to maximize the use of technological innovations in meeting the employment training needs of handicapped youth and adults.

(b) Payments under this section with respect to any project may be made for a period of not to exceed three years beginning with the commencement of the project as approved, and sums appropriated for grants under this section shall remain available for such grants through the fiscal year ending September 30, 1986. Payments with respect to any project may not exceed 90 per centum of the cost of such project. The non-Federal share of the cost of a project may be in cash or in kind and may include funds spent for project purposes by the cooperating public or nonprofit agency provided that it is not included as a cost in any other federally financed program.

(c) Payments under this section may be made in advance or by way of reimbursement for services performed and purchases made, as may be determined by the Commissioner, and shall be made on such conditions as the Commission finds necessary to carry out the purposes of this section.

PART D—AMERICAN INDIAN VOCATIONAL REHABILITATION SERVICES

VOCATIONAL REHABILITATION SERVICE GRANTS

SEC. 130. (a) The Commissioner, in accordance with the provisions of this part, may make grants to the governing bodies of Indian tribes located on Federal and State reservation to pay 90 percent of the costs of vocational rehabilitation services for handicapped American Indians residing on such reservations.

(b)(1) No grant may be made under this part for any fiscal year unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application unless the application—

(A) is made at such time, in such manner, and contains such information as the Commissioner may require;

(B) contains assurances that the rehabilitation services provided under this part to handicapped American Indians residing on a reservation in a State shall be, to the maximum extent feasible, comparable to rehabilitation services provided under this title to other handicapped individuals residing in the State; and

(C) contains assurances that the application was developed in consultation with the designated State unit of the State.

(2) The provisions of sections 5, 6, 7, and 102(a) of the Indian Self-Determination and Education Assistance Act shall be applicable to any application submitted under this part. For purposes of this paragraph, an reference in any such provision to the Secretary of [Health, Education, and Welfare] *Education* or to the Secretary of the Interior shall be considered to be a reference to the Commission.

(3) Any application approved under this part shall be effective for not less than twelve months except as determined otherwise by the Commissioner pursuant to prescribed regulations. The State shall continue to provide vocational rehabilitation services under

its State plan to American Indians residing on a reservation whenever such State includes any such American Indians in its State population under section 110(a)(1).

[(d)] *(c)* For the purpose of computing the allotment of any State under section 110(a), the number of American Indians residing on a reservation to be served by a grant under this part shall be subtracted from the population used for such State in section 110(a)(1) as follows:

(1) 33 percent of such American Indians in the first fiscal year during which such Indians are served by grants under this part;

(2) 66 percent of such American Indians in the second fiscal year during which such Indians are served by grants under this part; and

(3) 100 percent of such American Indians in the third fiscal year during which such Indians are served by grants under this part.

[(e)] *(d)* The term "reservation" includes Indian reservations, public domain Indian Allotments, former Indian reservations, in Oklahoma, and land held by incorporated Native groups, regional corporations, and village corporations under the provisions of the Alaska Native Claims Settlement Act.

[EVALUATION]

[SEC. 131. Not less than thirty months after the date of the enactment of the Rehabilitation Comprehensive Services and Developmental Disabilities Amendments of 1978, the Secretary shall submit to the Congress an evaluation of the programs conducted under this part. Such evaluation shall be conducted by persons other than persons immediately responsible for administration of such programs. Such evaluation shall include—

(1) an examination of the comparability of vocational rehabilitation services provided under this part to services provided to other handicapped individuals under section 101; and

(2) an assessment of the extent to which governing bodies of Indian tribes receiving grants under this part have made services under such grants available to all handicapped American Indians residing on reservations served by such grants.]

TITLE II—RESEARCH AND TRAINING

DECLARATION OF PURPOSE

SEC. 200. The purpose of this title is to—

(1) provide for a comprehensive and coordinated approach to the administration and conduct of research, demonstration projects, and related activities for the rehabilitation of handicapped individuals, including programs designed to train persons who provide rehabilitation services and person who conduct research, by authorizing Federal assistance in accordance with a plan for rehabilitation research developed under this title;

(2) facilitate the distribution of information concerning developments in rehabilitation procedures, methods, and devices to

rehabilitations professionals and to handicapped individuals to assist such individuals to live more independently;

(3) improve the distribution of technological devices and equipment for handicapped individuals by providing financial support for the development and distribution of such devices and equipment; and

(4) increase the scientific and technological information presently available in the field of rehabilitation.

AUTHORIZATION OF APPROPRIATIONS

[SEC. 201. (a) There are authorized to be appropriated—

(1) for the purpose of providing for the expenses of the National Institute of Handicapped Research under section 202, other than expenses to carry out section 204, such sums as may be necessary for fiscal year 1984, and for each of the two succeeding fiscal years; and

(2) for the purpose of carrying out section 204, $36,000,000 for the fiscal year 1984, $40,000,000 for the fiscal year 1985, and $44,000,000 for the fiscal year 1986.]

SEC. 201. (a) There are authorized to be appropriated—

(1) for the purpose of providing for the expenses of the National Institute of Handicapped Research under section 202, other than expenses to carry out section 204, such sums as may be necessary for fiscal year 1987 and for each succeeding fiscal year ending prior to October 1, 1990; and

(2) $49,000,000 for fiscal year 1987, $52,000,000 for fiscal year 1988, $55,000,000 for fiscal year 1989, and $58,000,000 for fiscal year 1990 for the purpose of carrying out section 204, of which $1,000,000 shall be available for fiscal year 1987, $1,050,000 for fiscal year 1988, $1,102,500 for fiscal year 1989, and $1,160,000 for fiscal year 1990 for the purpose of carrying out the last sentence of section 204(2)(C).

(b) Funds appropriated under this title shall remain available until expended.

NATIONAL INSTITUTE OF HANDICAPPED RESEARCH

SEC. 202. (a) In order to promote and coordinate research with respect to handicapped individuals and to more effectively carry out the programs under section 204, there is established within the Department of Education, a National Institute of Handicapped Research (hereinafter in this title referred to as the "Institute"), which shall be headed by a Director (hereinafter in this title referred to as the "Director"). In the performance of his functions, the Director shall be directly responsible to the Secretary or to the same Under Secretary or Assistant Secretary of the Department of Education, to whom the Commissioner is responsible under section 3(a) of this Act.

(b) The Director, through the Institute, shall be responsible for—

(1) administering the programs described in section 204;

(2) disseminating information acquired through research funded by the Institute to other Federal, State, and local public agencies and to private organizations engaged in research relating to rehabilitation or providing rehabilitation services;

(3) coordinating, through the Interagency Committee established by section 203 of this Act, all Federal programs and policies relating to research in rehabilitation;

(4) disseminating educational materials to primary and secondary schools, institutions of higher education, and to public and private entities concerning how the quality of life of handicapped individuals may be improved;

(5) conducting an education program to inform the public about ways of providing for the rehabilitation of handicapped individuals, including information relating to family care and self care;

(6) conducting conferences, seminars, and workshops (including in-service training programs) concerning research and engineering advances in rehabilitation pertinent to the problems of handicapped individuals;

(7) taking whatever action is necessary to keep the Congress fully and currently informed with respect to the implementation and conduct of programs and activities carried out under this title; and

(8) producing, in conjunction with the Department of Labor, the National Center for Health Statistics, the Bureau of the Census, the Social Security Administration, and other Federal departments and agencies, as may be appropriate, statistical reports and studies on the employment, health, income, and other demographic characteristics of handicapped individuals and disseminating such reports and studies to rehabilitation professionals and others to assist in the planning and evaluation of vocational and other rehabilitation services for the handicapped.

(c)(1) The Director of the Institute shall be appointed by the President, by and with the advice and consent of the Senate. The Director shall be an individual with substantial experience in rehabilitation and in research administration. The Director shall be compensated at the rate payable for level V of the Executive Schedule under section 5316 of title 5, United States Code. In carrying out any of his functions under this section, the Director shall be guided by general policies of the National Council on the Handicapped established in title IV. The Director shall not delegate any of his functions to any officer who is not directly responsible to him.

(2) There shall be a Deputy Director of the Institute (hereinafter in this section referred to as the "Deputy Director") who shall be appointed by the Secretary. The Deputy Director shall be compensated at the rate provided for grade GS-17 of the General Schedule under section 5332 of title 5, United States Code, and shall act for the Director during the absence or disability of the Director, exercising such powers as the Director may prescribe. In the case of any vacancy in the office of the Director, the Deputy Director shall serve as Director until a Director is appointed under paragraph (1). The position created by this paragraph shall be in addition to the number of positions placed in grade GS-17 of the General Schedule under section 5108 of title 5, United States Code.

(3) The Director, subject to the approval of the President, may appoint, for terms not to exceed three years, without regard to the

provisions of title 5, United States Code, governing appointment in the competitive service, and may compensate, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates such technical and professional employees of the Institute as the Director deems necessary to accomplish the functions of the Institute and also appoint and compensate without regard to such provisions in a number not to exceed one-fifth of the number of fulltime, regular technical and professional employees of the Institute.

(4) The Director may obtain the services of consultants, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(d) The Director, pursuant to regulations which the Secretary shall prescribe, may establish and maintain fellowships with such stipends and allowances, including travel and subsistence expenses provided under title 5, United States Code, as the Director considers necessary to procure the assistance of highly qualified research fellows from the United States and foreign countries.

(e) The Director shall, pursuant to regulations which the Secretary shall prescribe, provide for scientific review of all research grants and programs over which he has authority by utilizing, the maximum extent possible, appropriate peer review groups established within the Institute and composed of non-Federal scientists and other experts in the rehabilitation field.

(f) Not less than 90 percent of the funds appropriated under paragraph (2) of section 201(a) to carry out section 204 shall be expended by the Director to carry out such section through grants or contracts with qualified public or private agencies and individuals.

(g) The Director shall develop and submit to appropriate committees of the Congress within eighteen months after the effective date of this section a long-range plan for rehabilitation research which shall—

(1) identify any research which should be conducted respecting the problems encountered by handicapped individuals in their daily activities, especially problems related to employment;

(2) determine the funding priorities for research activities under this section and explain the basis for such priorities, including a detailed description of any new types of research recommended under this paragraph for funding; and

(3) specify appropriate goals and timetables for activities to be conducted under this section.

The plan required by this subsection shall be developed by the Director in consultation with the Commissioner, the National Council on the Handicapped established under title IV, the Secretary of Education, officials responsible for the administration of the Developmental Disabilities Assistance and Bill of Rights Act, the Interagency Committee established by section 203, and any other persons or entities the Director considers appropriate. Such plan shall be reviewed at least once every three years and may be revised at any time by the Director to the extent he considers necessary.

(h) In order to promote cooperation among Federal departments and agencies conducting research programs, the Director shall consult with the administrators of such programs, and with the Interagency Committee established by section 203, regarding the design of research projects conducted by such entities and the results and applications of such research.

(i)(1) The director shall take whatever actions he considers appropriate to provide for a comprehensive and coordinated research program under this title. In providing such a program, the Director may undertake joint activities with other Federal entities engaged in research and with appropriate private entities. Any Federal entity proposing to establish any research project related to the purposes of this Act shall consult, through the Interagency Committee established by section 203, with the Director in his role of Chairman of such Committee and provide the Director with sufficient prior opportunity to comment on such project.

(2) Any person responsible for administering any program of the National Institutes of Health, the Veterans' Administration, the National Science Foundation, the National Aeronautics and Space Administration, the Office of Special Education and Rehabilitation Services, or of any other Federal entity, shall, through the Interagency Committee established by section 203, consult and cooperate with the Director in carrying out such program if the program is related to the purposes of this section.

(j)(1) The Director shall make a grant to an institution of higher education for the establsihment of a program of pediatric rehabilitation research **[**at an institution of higher education**]**.

(2) The Director shall establish, either directly or by way of grant or contract, a Research and Training Center in the Pacific Basin *in order to improve services to individuals with handicaps through relevant rehabilitation research and training in the Pacific Basin and to assist in the coordination of rehabilitation services provided by a broad range of agencies and entities; and such center shall (A) develop a sound demographic base, (B) analyze, develop, and utilize appropriate technology, (C) develop a culturally relevant rehabilitation manpower development program, and (D) facilitate interagency communication and cooperation, implementing advanced information technology.*

INTERAGENCY COMMITTEE

SEC. 203. (a)(1) In order to promote coordination and cooperation among Federal departments and agencies conducting rehabilitation research programs, there is established within the Federal Government an Interagency Committee on Handicapped Research (hereinafter in this section referred to as the "Committee"), chaired by the Director and comprised of such members as the President may designate, including the following (or their designees): the Director, the Commissioner, the Secretary of Education, the Administrator of Veterans' Affairs, the Director of the National Institutes of Health, *the Director of the National Institute of Mental Health,* the Administrator of the National Aeronautics and Space Administration, the Secretary of Transportation, and the Director of the National Science Foundation.

(2) The Committee shall meet not less than four times each year.

(b) The Committee shall identify, assess, and seek to coordinate all Federal programs, activities and projects, and plans for such programs, activities, and projects with respect to the conduct of research related to rehabilitation of handicapped individuals.

(c) The Committee, not later than eighteen months after the date of enactment of this section, and annually thereafter, shall submit to the President and to the appropriate committees of the Congress a report making such recommendations as the Committee deems appropriate with respect to coordination of policy and development of objectives and priorities of all Federal programs relating to the conduct of research related to rehabilitation of handicapped individuals.

RESEARCH

SEC. 204. (a)(1) The Director may make grants to and contracts with States and public or private agencies and organizations, including institutions of higher education, to pay part of the cost of projects for the purpose of planning and conducting research, demonstrations, and related activities which bear directly on the development of methods, procedures, and devices to assist in the provision of vocational and other rehabilitation services to handicapped individuals, especially those with the most severe handicaps, under this Act. Such projects may include medical and other scientific, technical, methodological and other investigations into the nature of disability, methods of analyzing it, and restorative techniques, including basis research where related to rehabilitation techniques or services; studies and analysis of industrial, vocational, social, *recreational,* psychiatric, psychological, economic, and other factors affecting rehabilitation of handicapped individuals; special problems of homebound and institutionalized individuals; studies, analyses, and demonstrations of architectural and engineering design adapted to meet the special needs of handicapped individuals; *studies analyses, and other activities related to supported employment;* and related activities which hold promise of increasing knowledge and improving methods in the rehabilitation of handicapped individuals and individuals with the most severe handicaps.

(b) In addition to carrying out projects under subsection (a) of the section, the Director may make grants to pay part or all of the cost of the following specialized research activities:

(1) Establishment and support of Rehabilitation Research and Training Centers to be operated in collaboration with institutions of higher education for the purpose of (A) providing training (including graduate training) to assist individuals to more effectively provide rehabilitation services, (B) providing coordinated and advanced programs of research in rehabilitation and (C) providing training (including graduate training) for rehabilitation research and other rehabilitation personnel. The research to be carried out at each Center shall be determined on the basis of the particular needs of handicapped individuals in the geographic area served by the Center, any may include basic or applied medical rehabilitation research, research regarding the psychological and social aspects of rehabilitation, and research related to vocational rehabilitation. The Centers shall be encouraged to develop practical applications for the findings of their research. Grants may include funds for services rendered by such a center to handicapped individuals in

connection with such research and training activities. Rehabilitation Research and Training Centers shall include both comprehensive centers dealing with multiple disabilities and centers focused on particular disabilities. Grants to Centers need not be automatically terminated at the end of a project period any may be renewed on the basis of a thorough evaluation and peer review including site visits. Training of students preparing to be rehabilitation personnel through centers shall be an important priority, Grants may include faculty support for teaching of rehabilitation related courses of study for credit and other courses offered by the institutions of higher education affiliated with the Center. *The peer review of all applications for the renewal of a Rehabilitation Research and Training Center grant shall take into account the past performance of the applicant in carrying out the grant. The host institution with which the Rehabilitation Research and Training Center is affiliated may not collect in excess of 15 percent in indirect cost charges.*

(2) Establishment and support of Rehabilitation Engineering Research Centers to (A) develop innovative methods of applying advanced medical technology, scientific achievement, and psychiatric, psychological, and social knowledge to solve rehabilitation problems through planning and conducting research, including cooperative research with public or private agencies and organizations, designed to produce new scientific knowledge, equipment, and devices suitable for solving problems in the rehabilitation of handicapped individuals and for reducing environmental barriers, **[**and to (B)**]** *to (B)* cooperate with State agencies designated pursuant to section 101 in developing systems of information exchange and coordination to promote the prompt utilization of engineering and other scientific research to assist in solving problems in the rehabilitation of handicapped individuals**[**.**]** *and to (C) demonstrate and disseminate innovative models for the delivery of cost-effective rehabilitation engineering services to assist in meeting the needs of, and addressing barriers confronted by individuals with handicaps. In fiscal year 1987, at least two such Rehabilitation Engineering Centers shall be established. One grant to provide demostrations pursuant to clause (C) of this paragraph shall be made to an agency or organization in the State of South Carolina and one such grant shall be made to an agency or organization in the State of Connecticut.*

(3) Conduct a program for spinal cord injury research, to include support of spinal cord injuries projects and demonstrations established pursuant to sections 310 and 311, which will (A) insure dissemination of research findings among all such centers (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among spinal cord injury investigations.

(4) Conduct a program of end-stage renal disease research, to include support of projects and demonstrations for providing special services (including transplantation and dialysis), artificial kidneys, and supplies necessary for the rehabilitation of individuals suffer-

ing from such disease and which will (A) insure dissemination of research findings, (B) provide encouragement and support for initiatives and new approaches by individual and institutional investigators, and (C) establish and maintain close working relationships with other governmental and voluntary institutions and organizations engaged in similar efforts, in order to unify and coordinate scientific efforts, encourage joint planning, and promote the interchange of data and reports among investigators in the field of end-stage renal disease. No person shall be selected to participate in such program who is eligible for services for such disease under any other provision of law.

(5) Conduct a program for international rehabilitation research, demonstration, and training for the purpose of developing new knowledge and methods in the rehabilitation of handicapped individuals in the United States, cooperating with and assisting in developing and sharing information found useful in other nations in the rehabilitation of the handicapped individuals, and initiating a program to exchange experts and technical assistance in the field of rehabilitation of handicapped individuals with other nations as a means of increasing the levels of skill of rehabilitation personnel.

(6) Conduct a research program concerning the use of existing telecommunications systems (including telephone, television, satellite, radio, and other similar systems) which have the potential for substantially improving service delivery methods, and the development of appropriate programing to meet the particular needs of handicapped individuals.

(7) Conduct a program of joint projects with the National Institutes of Health, *the National Institute of Mental Health,* the Health Services Administration, the Administration on Aging, the National Science Foundation, the Veterans' Administration, the Department of Health and Human Services, the National Aeronautics and Space Administration, other Federal agencies, and private industry in areas of joint interest involving rehabilitation.

(8) Conduct of a research program related to the rehabilitation of handicapped children and of handicapped individuals who are aged sixty or older.

(9) Conduct of research program to develop and demonstrate innovative methods to attract and retain professionals to serve in rural areas in the rehabilitation of handicapped and serverely handicapped individuals.

(10) Conduct of a model research and demonstration project designed to assess the feasibility of establishing a center for producing and distributing to deaf individuals captioned video cassettes providing a broad range of educational, cultural, scientific, and vocational programing.

(11) Conduct of a model research and demonstration program to develop innovative methods of providing services for preschool age handicapped children, including the following: (A) early intervention, parent counseling, infant stimulation, early identification, diagnosis, and evaluation of severely handicapped children up to the age of five, with a special emphasis on severely handicapped children up to the age of three; (B) such physical therapy, language development, pediatric, nursing, and psychiatric services as are necessary for such children; and (C) appropriate services for the parents

of such children, including psychiatric services, parent counseling and training.

(12) Conduct of a model research and training program under which model training centers shall be established to develop and use more advanced and effective methods of evaluating and developing the employment potential of handicapped individuals, including programs which—

(A) provide training and continuing education for personnel involved with the employment of handicapped individuals;

(B) develop model procedures for testing and evaluating the employment potential of handicapped individuals;

(C) develop model training programs to teach handicapped individuals skills which will lead to appropriate employment;

(D) develop new approaches for job placement of handicapped individuals, including new followup procedures relating to such placement; and

(E) provide information services regarding education, training, employment, and job placement for handicapped individuals.

(13) Conduct of a rehabilitation research program under which financial assistance is provided in order to (A) test new concepts and innovative ideas, (B) demonstrate research results of high potential benefits, (C) purchase prototype aids and devices for evaluation, (D) develop unique rehabilitation training curricula, and (E) be responsive to special initiative of the Director. No single grant under this paragraph may exceed $50,000 in any fiscal year and all payments made under this paragraph in any fiscal year may not exceed 5 per centum of the amount available under section 204 to the National Institute of Handicapped Research in any fiscal year. Regulations and administrative procedures with respect to financial assistance under this paragraph shall, to the maximum extent possible, be expedited.

(14) Conduct of a demonstration program under which one or more projects national in scope shall be established to develop procedures to provide incentives for the development, manufacturing, and marketing of orphan technological devices designed to enable individuals with handicaps to achieve independence and accessibility to gainful employment.

(c) The provisions of section 306 shall apply to assistance provided under this section, unless the context indicates to the contrary.

(d) In carrying out evaluations of research demonstration and related projects under this section, the Director is authorized to make arrangements for site visits to obtain information on the accomplishments of the project. The director shall not make a grant under this section which exceeds $299,999 unless the peer review of the grant application has included a site visit.

TITLE III—SUPPLEMENTARY SERVICES AND FACILITIES

PART A—CONSTRUCTION AND TRAINING PROGRAMS

DECLARATION OF PURPOSE

SEC. 300. The purpose of this title is to—

(1) authorize grants and contracts to assist in the construction and initial staffing of rehabilitation facilities and authorize such staffing as the Commissioner deems appropriate;

(2) authorize grants and contracts to assist in the provision of vocational training services to handicapped individuals;

(3) authorize grants for special projects and demonstrations which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals, including individuals with spinal cord injuries, older blind individuals, and deaf individuals, whose maximum vocational potential has not been reached, which experiment with new types of patterns of services or devices for the rehabilitation of handicapped individuals (including opportunities for new careers for handicapped individuals, and for other individuals in programs serving handicapped individuals) and with provide vocational rehabilitation services to handicapped migratory agricultural workers or seasonal farmworkers; and

(4) establish uniform and grant and contract requirements for programs assisted under this title and certain other provisions of this Act.

GRANTS FOR CONSTRUCTION OR REHABILITATION FACILITIES

SEC. 301. (a) For the purpose of making grants and contracts under this section for construction of rehabilitation facilities, staffing, and planning assistance, there is authorized to be appropriated such sums as may be necessary for each fiscal year ending before October 1, [1986] *1990*. Amounts so appropriated shall remain available for expenditure with respect to construction projects funded or staffing grants made under this section prior to October 1, [1987] *1991*.

(b)(1) The Commissioner is authorized to make grants to assist in meeting the costs of construction of public or nonprofit rehabilitation facilities. Such grants may be made to States and public or nonprofit organizations and agencies for projects which applications are approved by the [Commission] *Commissioner* under this section.

(2) To be approved, an application for a grant for a construction project under this section must conform to the provisions of section 306.

(3) The amount of a grant under this section with respect to any construction project in any State shall be equal to the same percentage of the cost of such project as the Federal share which is applicable in the case of rehabilitation facilities (as defined in section 645(g) of the Public Health Service Act (42 U.S.C. 291o(a)), in such State except that if the Federal share with respect to rehabilitation facilities in such State is determined pursuant to subparagraph (b)(2) of section 645 of such Act (42 U.S.C. 291o(b)(2)), the percentage of the cost for purposes of this section shall be determined in accordance with regulations prescribed by the Commissioner designed to achieve as nearly as practicable results comparable to the results obtained under such subparagraph.

(c) The Commissioner is also authorized to make grants to assist in the staffing of any public on nonprofit rehabilitation facility constructed after the date of enactment of this section (whether or not such construction was financed with the aid of a grant under this section) by covering part of the costs (determined in accordance with regulations the Commissioner shall prescribe) of compensation of professional or technical personnel of such facility during the period beginning with the commencement of the operation of such facility and ending with the close of four years and three months after the month in which such operation commenced. Such grants with respect to any facility may not exceed 75 per centum of such costs for the period ending with the close of the fifteenth month following the month in which such operation commenced, 60 per centum of such costs for the first year thereafter, 45 per centum of such costs for the second year thereafter, and 30 per centum of such costs for the third year thereafter.

(d) The Commissioner is also authorized to make grants upon application approved by the State agency designed under section 101 to administer the State plan, to public or nonprofit agencies, institutions, or organizations to assist them in meeting the cost of planning rehabilitation facilities and the services to be provided by such facilities.

VOCATIONAL TRAINING SERVICES FOR HANDICAPPED INDIVIDUALS

SEC. 302. (a) For the purpose of making grants and entering into contracts under this section, there are authorized to be appropriated such sums as may be necessary for each fiscal year ending before October 1, **[**1986**]** *1990*.

(b)(1) The Commissioner is authorized to make grants to States and public or nonproit organizations and agencies to pay up to 90 per centum of the cost of projects for providing vocational training services to handicapped individuals, especially those with the most severe handicaps, in public or nonprofit rehabilitation facilities.

(2)(A) Vocational training services for purposes of this subsection shall include training with a view toward career advancement; training in occupational skills; related services, including work evaluation, work testing, provision of occupational tools and equipment required by the individual to engage in such training, and job tryouts; and payment of weekly allowances to individuals receiving such training and related services.

((B) Such allowances may not be paid to any individuals for any period in excess of two years, and such allowances for any week shall not exceed $30 plus $10 for each of the individual's dependents, or $70, whichever is less. In determining the amount of such allowances for any individual, consideration shall be given to the individual's need for such an allowance, including any expenses reasonably attributable to receipt of training services, the extent to which such an allowance will help assure entry into and satisfactory completion of training, and such other factors, specified by the Commissioner, as will promote such individual's capacity to engage in gainful and suitable employment.

(3) The Commissioner may make a grant for a project pursuant to this subsection only on his determination that (A) the purpose of such project is to prepare handicapped individuals, especially those with the most severe handicaps, for gainful and suitable employ-

ment; (B) the individuals to receive training services by the State agency or agencies designated as provided in section 101(a)(1) of the State in which the rehabilitation facility is located; (C) the full range of training services will be made available to each such individual, to the extent of his need for such services; and (D) the project, including the participating rehabilitation facility and the training services provided, meet such other requirements as he may prescribe in regulations for carrying out the purposes of this subsection.

(c)(1) The Commissioner is authorized to make grants to public or nonprofit rehabilitation facilities, or to an organization or combination of such facilities, to pay the Federal share of the cost of projects to analyze, improve, and increase their professional services to handicapped individuals, their management effectiveness, or any other part of their operations affecting their capacity to provide employment and services for such individuals.

(2) No part of any grant made pursuant to this subsection may be used to pay costs of acquiring, constructing, expanding, remodeling, or altering any building.

LOAN GUARANTEES FOR REHABILITATION FACILITIES

SEC. 303. (a) It is the purpose of this section to assist and encourage the provision of needed facilities for programs for handicapped individuals primarily served by State rehabilitation programs.

(b) The Commissioner may, in accordance with this section and subject to section 306, guarantee the payment of principal and interest on loans made to nonprofit private entities by non-Federal lenders and by the Federal Financing Bank for the construction rehabilitation facilities, including equipment used in their operation.

(c) In the case of a guarantee of any loan to a nonprofit private entity under this section, the Commissioner shall pay, to the holder of such loan for and on behalf of the project for which the loan was made, amounts sufficient to reduce by 2 percent per annum the net effective interest rate otherwise payable on such loan. Each holder of a loan which is guaranteed under this section shall have a contractual right to receive from the United States interest payments required by the preceding sentence.

(d) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, may not exceed $100,000,000.

(e)(1) The Commissioner may not approve a loan guarantee for a project under this section unless he determines that (A) the terms, conditions, security (if any), and schedule and amount of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Commissioner determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States, and (B) the loan would not be available on reasonable terms and conditions without the guarantee under this section.

(2)(A) The United States shall be entitled to recover from the applicant for a loan guarantee under this section the amount of any payment made pursuant to such guarantee, unless the Commissioner for good cause waives such right of recovery. Upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

(B) To the extent permitted by subparagraph (C), any terms and conditions applicable to a loan guarantee under this section (including terms and conditions imposed under paragraph (1) may be modified by the Commissioner to the extent he considers consistent with the interests of the United States.

(C) Any loan guarantee made by the Commissioner under this section shall be incontestable (i) in the hands of an applicant on whose behalf such guarantee is made unless the applicant engaged in fraud or misrepresentation in securing such guarantee, and (ii) as to any person (or his successor in interest) who make or contracts to make a loan to such applicant in reliance thereon unless such person (or his successor in interest) engaged in fraud or misrepresentation in making or contracting to make such loan.

(D) Guarantees of loans under this section shall be subject to such further terms and conditions as the Commissioner considers necessary to assure that the purposes of this section will be achieved.

(f)(1) There is established in the Treasury a loan guarantee fund (hereinafter in this subsection referred to as the "fund") which shall be available to the Commissioner without fiscal year limitations, in such amounts as may be specified from time to time in appropriation Acts—

(A) to enable him to discharge his responsibilities under loan guarantees issued by him under this section; and

(B) for payment of interest under subsection (c) on loans guaranteed under this section.

There are authorized to be appropriated such amounts as may be necessary to provide the sums required for the fund. There shall also be deposited in the fund amount received by the Commissioner in connection with loan guarantees under this section and other property or assets derived by him from his operations respecting such loan guarantees, including any money derived from the sale of assets.

(2)(A) If at any time the sums in the fund are insufficient to enable the Commissioner—

(i) to make payments of interest under subsection (c); or

(ii) to otherwise comply with guarantees under this section of loans to nonprofit private entities;

he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury.

(B) Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations.

(C) The Secretary of the Treasury shall purchase any notes and other obligations issued under this paragraph, and for that purpose he may use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act. The purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this paragraph. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as a public debt transaction of the United States.

(D) Sums borrowed under this paragraph shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from the fund.

TRAINING

SEC. 304. (a) The Commissioner may make grants to and contracts with States and public or nonprofit agencies and organizations, including institutions of higher education, to pay part of the cost of projects for training, traineeships, and related activities designed to assist in increasing the number of qualified personnel trained in providing vocational, medical, social, and psychological rehabilitation services to handicapped individuals, including (1) personnel specially trained in providing employment assistance to handicapped individuals through job development and job placement services, *(2) personnel specifically trained to identify, assess, and meet the individual rehabilitation needs of individuals with severe handicaps* **[**(2)**]** *(3)* personnel specifically trained to deliver services to individuals who may benefit from receiving comprehensive services for independent living, personnel specifically trained to deliver services in client assistance program, and **[**(3)**]** *(4)* personnel trained in performing other functions necessary to the development of such services. In carrying out the provisions of this subsection, the Commissioner shall, in addition to furnishing training in the services provided under this Act to rehabilitation counselors, furnish training to such counselor in the applicability of the provisions of section 504.

(b) In making such grants or contracts funds make available for any year shall be targeted to areas of personnel shortage which may include projects in *rehabilitation engineering,* rehabilitation medicine, rehabilitation nursing, rehabilitation counseling, rehabilitation social work, rehabilitation psychiatry, rehabilitation psychology, *rehabilitation dentistry,* physical therapy, occupational therapy, speech pathology and audiology, *physical education, therapeutic recreation,* workshop and facility administrations, prosthetics and orthotics, specialized personnel in providing services to blind and deaf individuals, specialized personnel in providing job development and job placement services for handicapped individuals, *specialized personnel in providing employment training for supported employment, other specialized personnel for those individuals who meet the definition of severely handicapped,* recreation for ill and handicapped individuals, and other fields contributing to the rehabilitation of handicapped individuals, including homebound and institutionalized individuals and handicapped individuals with limited English-speaking ability. No grant shall be made under this section for furnishing to an individual any one course of study extending for a period in excess of four years.

(c) The Commissioner shall evaluate the impact of the training programs conducted under this section, shall determine training needs for qualified personnel necessary to provide services to handicapped individuals, and shall develop a long-term rehabilitation manpower plan designed to target resources on areas of personnel shortage. The Commissioner shall prepare and submit to the Congress, simultaneously with the budget submission for the succeeding fiscal year for the Rehabilitation Services Administration, a report setting forth and justifying in detail how the training funds for the fiscal year prior to such submission are allocated by professional discipline and other program areas. The report shall also contain findings on personnel shortages, how funds proposed for the succeeding fiscal year will be allocated under the President's budget proposal, and how the findings of personnel shortages justify the allocations.

(d)(1) For the purpose of training a sufficient number of interpreters to meet the communications needs of deaf individuals, the Secretary, through the Office of Information and Resources for the Handicapped, may award grants under this section to any public or private nonprofit agency or organization to establish interpreter training programs or to provide financial assistance for ongoing interpreter training programs. Not more than twelve programs shall be established or assisted by grants under this section. The Secretary shall award grants for programs in such geographic areas throughout the United States as the Secretary considers appropriate to best carry out the purpose of this section. Priority shall be given to public or private nonprofit agencies or organizations with existing programs that have demonstrated their capacity for providing interpreter training services.

(2) No grants shall be awarded under this section unless the applicant has submitted an application to the Secretary in such form, and in accordance with such procedures, as the Secretary may require. Any such application shall—

(A) describe the manner in which an interpreter training program would be developed and operated during the five-year period following the award of any grant under this section;

(B) demonstrate the applicant's capacity or potential for providing training for interpreters for deaf individuals;

(C) provide assurances that any interpreter trained or retrained under such program shall meet such minimum standards of competency as the Secretary may establish for purposes of this section;

(D) provide assurances that (i) to the extent appropriate, the applicant shall provide for the training or retraining (including short-term and in-service training) of teachers who are involved in providing instruction to deaf individuals but who are not certified as teachers of deaf individuals, and (ii) funds for such in-service training shall be provided under this section only through funds appropriated under the Education for All Handicapped Children Act; and

(E) contain such other information as the Secretary may require.

(e) There are authorized to be appropriated to carry out this section, [$22,000,000 for the fiscal year 1984, $27,000,000 for the fiscal year 1985, and $31,000,000 for the fiscal year 1986] *$31,000,000 for the fiscal year 1987, $33,000,000 for the fiscal year 1988, $35,000,000 for the fiscal year 1989, and $37,000,000 for the fiscal year 1990.* There are further authorized to be appropriated for each such fiscal year such additional sums as the Congress may determine to be necessary to carry out this section.

COMPREHENSIVE REHABILITATION CENTERS

SEC. 305. (a)(1) In order to provide a focal point in communities for the development and delivery of services designed primarily for handicapped persons, the Commissioner may make grants to any designated State unit to establish and operate comprehensive rehabilitation centers. The centers shall be established in order to provide a broad range of services to handicapped individuals, including information and referral services, counseling services, and job placement, health, educational, social, and recreational services, as well as to provide facilities for recreational activities.

(2) To the maximum extent practicable, such centers shall provide, upon request, to local governmental units and other public and private nonprofit entities located in the area such information and technical assistance (including support personnel such as interpreter for the deaf) as may be necessary to assist those entities in complying with this Act, particularly the requirements of section 504.

(b) No grant may be made under this section unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application for a grant unless the application—

(1) contains assurances that the designated State unit will use funds provided by such grant in accordance with subsections (c) and (d); and

(2) contains such other information, and is submitted in such form and in accordance with such procedures, as the Commissioner may require.

(c)(1) The designated State unit may—

(A) in accordance with subsection (e) make grants to units of general purpose local government or to other public or nonprofit private agencies or organizations and may make contracts with any agency or organization to pay not to exceed 80 percent of the cost of—

(i) leasing facilities to serve as comprehensive rehabilitation centers;

(ii) expanding, remodeling, or altering facilities to the extent necessary to adapt them to serve as comprehensive rehabilitation centers;

(iii) operating such centers; or

(iv) carrying out any combination of the activities specified in this subparagraph; and

(B) directly carry out the activities described in subparagraph (A), except that not more than 80 percent of the costs of providing any comprehensive rehabilitation center may be provided from funds under this section.

(3) Funds made available to any designated State unit under this section for the purpose of assisting in the operation of a comprehensive rehabilitation center may be used to compensate professional and technical personnel required to operate the center and to deliver services in the center, and to provide equipment for the center.

(d)(1) The designated State unit may approve a grant or enter into a contract under subsection (c) only if the application for such grant or contract meets the requirements specified in paragraphs (1), (2), (4), and (5) of section 306(b) and if the application contains assurances that any facility assisted by such grant or contract shall be in reasonably close proximity to the majority of individuals eligible to use the comprehensive rehabilitation center.

(2) Any designated State unit which directly provides for comprehensive rehabilitation centers under subsection (c)(1)(B) shall use funds under this section in the same manner as any other grant recipient is required to use such funds.

(e) If within 20 years after the completion of any construction project for which funds have been paid for under this section—

(1) the owner of the facility ceases to be a public or nonprofit private agency or organization, or

(2) the facility ceases to be used for the purposes for which it was leased or constructed (unless the Commissioner determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so).

the United States shall be entitled to recover from the grant recipient or other owner of the facility an amount which bears the same ratio to the value of the facility (or so much thereof as constituted an approved project or projects) at the time the United States seeks recovery as the amount of such Federal funds bore to the cost of renovating the facility under subsection (c)(1)(A)(ii). Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(f) The requirements of section 306 shall not apply to funds allotted under this section, except that subsections (g) and (h) of such section shall be applicable with respect to such funds.

(g) There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years [1984, 1985, and 1986] *1987, 1988, 1989, and 1990.*

GENERAL GRANT AND CONTRACT REQUIREMENTS

Sec. 306. (a) The provisions of this section shall apply to all projects approved and assisted under this title, except as otherwise provided in section [305(g)] *305(f).* The Commissioner shall insure compliance with this section prior to making any grant or entering into any contract or agreement under this title, except projects authorized under section 302.

(b) To be approved, an application for assistance for a construction project, or for a project which involves construction, under this title must—

(1) contain or be supported by reasonable assurances that (A) for a period of no less than twenty years after completion of construction of the project it will be used as a public or nonprofit facility, (B) sufficient funds will be available to meet the non-Federal share of the cost of construction of the project, and (C) sufficient funds will be available, when construction of the project is completed, for its effective use for its intended purpose;

(2) provide that Federal funds provided to any agency or organization under this title will be used only for the purposes for which provided and in accordance with the applicable provisions of this section and the section under which such funds are provided;

(3) provide that the agency or organization receiving Federal funds under this title will make an annual report to the Commissioner, which the Commissioner shall submit to the Secretary for inclusion (in summarized form) in the annual report submitted to the Congress under section 13;

(4) be accompanied or supplemented by plans and specifications which have been approved by the Board established by section 502, in which due consideration shall be given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and which comply with regulations prescribed by the Commissioner related to minimum standards of construction and equipment (promulgated with particular emphasis on securing compliance with the requirements of the Architectural Barriers Act of 1968 (Public Law 90-480)), and with regulations of the Secretary of Labor relating to occupational health and safety standards for rehabilitation facilities; and

(5) contain or be supported by reasonable assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by payments pursuant to any grant under this section will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with Davis Bacon Act, as amended (40 U.S.C. 276a-275a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176) and section 2 of the Act of June 13, 1934, as amended (42 U.S.C. 276c).

(c) Upon approval of any application for a grant or contract for a project under this title, the Commissioner shall reserve, from any appropriation available therefore, the amount of such grant or contract determined under this title. In case an amendment to an approved application is approved, or the estimated cost of a project is revised upward, any additional payment with respect thereto may be made from the appropriation from which the original reservation was made or the appropriation for the fiscal year in which such amendment or revision is approved.

(d) If, within twenty years after completion of any construction project for which funds have been paid under this title, the facility shall cease to be a public or nonprofit facility, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

(e) Payment of assistance or reservation of funds made pursuant to this title may be made (after necessary adjustment on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions, as the Commissioner may determine.

(f) A project for construction of a rehabilitation facility which is primarily a workshop may, where approved by the Commissioner as necessary to the effective operation of the facility, include such construction as may be necessary to provide residential accommodations for use in connection with the rehabilitation of handicapped individuals.

(g) No funds provided under this title may be used to assist in the construction of any facility which is or will be used for religious worship or any sectarian activity.

(h) When in any State, funds provided under this title will be used for providing direct services to handicapped individuals or for establishing facilities which will provide such services, such services must be carried out in a manner not inconsistent with the State plan approved pursuant to section 101.

(i) Prior to making any grantor entering into any contract under this title, the Commissioner shall afford reasonable opportunity to the appropriate State agency or agencies designated pursuant to section 101 to comment on such grant or contract.

PART B—SPECIAL PROJECTS AND SUPPLEMENTARY SERVICES

AUTHORIZATION OF APPROPRIATIONS

SEC. 310. (a) For the purpose of carrying out this part (other than [section 316] *section 311(d), 311(e), and 316),* there are authorized to be appropriated [$12,000,000 for fiscal year 1984, $13,600,000 for fiscal year 1985, and $14,300,000 for fiscal year 1986] *$15,860,000 for fiscal year 1987, $16,790,000 for fiscal year 1988, $17,800,000 for fiscal year 1989, and $18,900,000 for fiscal year 1990.*

(b) Of the amounts appropriated for any fiscal year under subsection (a), 5 percent of such amount shall be available in such fiscal year only for the purpose of making grants under section 312. There is further authorized to be appropriated for each such fiscal year such additional amount as may be necessary to equal, when added to the amount made available for the purpose of making grants under section 312, an amount of $5,000,000 for each such fiscal year.

SPECIAL DEMONSTRATION PROGRAMS

SEC. 311. (a) Subject to the provisions of section 306, the Commissioner may make grants to States and to public or nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations (including related research and evaluation) for—

(1) establishing programs and, where appropriate, constructing facilities for providing vocational rehabilitation services, which hold promise of expanding or otherwise improving rehabilitation services to handicapped individuals (especially those with the most severe handicaps), including blind or deaf individuals, irrespective of age or vocational potential, who can benefit from comprehensive services;

(2) applying new types or patterns of services or devices for handicapped individuals (including programs for providing handicapped individuals, or other individuals in programs servicing handicapped individuals, with opportunities for new careers); and

(3) operating programs and, where appropriate, renovating and constructing facilities to demonstrate methods of making recreational activities fully accessible to handicapped individuals.

The Director of the National Institute of Handicapped Research may make grants to States and to public or nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations for spinal cord injuries.

(b) Any project or demonstration assisted by a grant under this section which provides services to individuals with spinal cord injuries shall—

(1) establish, on an appropriate regional basis, a multidisciplinary system of providing vocational and other rehabilitations services, specifically designed to meet the special needs of individuals with spinal cord injuries, including acute care as well as periodic inpatient or outpatient followup and services;

(2) demonstrate and evaluate the benefits to individuals with spinal cord injuries served in, and the degree of cost effectiveness of, such a regional system;

(3) demonstrate and evaluate existing, new, and improved methods and equipment essential to the care, management, and rehabilitation of individuals with spinal cord injuries; and

(4) demonstrate and evaluate methods of community outreach for individuals with spinal cord injuries and community education in connection with the problem of such individuals in areas such as housing, transportation, recreation, employment and community activities.

The Director of the National Institute of Handicapped Research shall coordinate each grant made under this subsection with the Commissioner.

(c)(1) The Commissioner may make grants to public and nonprofit agencies and organizations to pay part or all of the costs of special projects and demonstrations including research and evaluation for handicapped youths to provide job training and prepare them for entry into the labor force. Such projects shall be designed to demonstrate cooperative effort between local educational agencies, business and industry, vocational rehabilitation programs, and organizations representing labor and organizations responsible for promoting or assisting in local economic development.

(2) Services under this subsection may include—

(A) jobs search assistance;

(B) on-the-job training;

(C) job development including worksite modification and use of advanced learning technology for skills training;

(D) dissemination of information on programs activities to business and industry; and

(E) followup services for individuals placed in employment.

(3) The Commissioner shall assure that projects shall be coordinated with other projects assisted under section 626 of the Education of the Handicapped Act.

(d)(1)(A) The Commissioner may make grants to public and nonprojects rehabilitation facilities, designated State units, and other public and private agencies and organizations for the cost of developing special projects and demonstrations providing supported employment.

(B) Not less than one such grant shall be nationwide in scope. The grant shall (i) identify community-based models that can be replicated, (ii) identify impediments to the development of supported employment programs (including funding and cost considerations), and (iii) develop a mechanism to explore the use of existing community-based rehabilitation facilities as well as other community-based programs.

(2)(A) The Commissioner may make grants to public agencies and nonprofit private organizations for the cost of providing technical assistance to States in implementing part C of title VI of this Act.

(B) No less than one such grant shall be nationwide in scope. Each eligible applicant must have experience in training and provision of supported employment services.

(3)(A) On June 1, 1988, and on each subsequent June 1, the Commissioner shall submit a report to the Congress on activities assisted under paragraph (1) for the preceding fiscal year which includes—

(i) a list of the grants awarded under this subsection;

(ii) the number of individuals with severe handicaps served by each grant recipient, the average cost to provide support services to each such individual, and the average wage paid to each such individual; and

(iii) the recommendations of the projects under paragraph (1)(B).

(B) Each such report shall also include activities assisted under paragraph (2) for the preceding fiscal year, including (i) a list of the grants awarded under subsection (2), (ii) the nature of technical assistance activities undertaken, and (iii) recommended areas where additional technical assistance is necessary.

(4) There are authorized to be appropriated to carry out the provisions of this subsection $9,000,000 for the fiscal year 1987, $9,520,000 for the fiscal year 1988, $10,000,000 for the fiscal year 1989, and $10,690,000 for the fiscal year 1990.

(e)(1) The Commissioner, subject to the provision of section 306, shall make two grants in accordance with the provisions of this sub-

section for the purpose of developing, expanding, and disseminating model statewide transitional planning services for severely handicapped youth. In order to facilitate similar model transitional programs, each grantee uner this subsection shall—

(A) collect data documenting the effectiveness of the project, including data on the outcome of the individuals served; and

(B) disseminate the information to other States.

(2) No grant may be made under this subsection unless an application is submitted to the Commissioner at such time, in such form and in accordance with such procedures as the Commission may require.

(3)(A) One grant under this subsection shall be made to a public agency in a predominantly urban State in New England for an existing model statewide transitional planning services program.

(B) The application for the grant specified in subparagraph (A) shall—

(i) provide assurances that a single office or agency of the State has responsibility for managing the referral process assigned under the model program for which assistance is sought;

(ii) provide assurances that the schools involved, in consultation with families, initiate a referral at least two years prior to the anticipated date on which each such student will finish courses of study at the school;

(iii) provide assurances that individualized transitional plans will be developed by the schools and adult providers working cooperatively;

(iv) provide assurances that case management responsibilities, together with appropriate tracking of each case designed to report on the progress of the handicapped individual, will be part of the responsibility of the office or agency designed under clause (i); and

(v) contain such other assurances as the Commissioner may reasonably require.

(4)(A)(i) A second grant authorized by this subsection shall be made to a public agency in a predominantly rural western State.

(ii) A third grant authorized by this subsection shall be made to a public agency or nonprofit private organization in a predominantly rural southwestern State.

(B) Each application for a grant submitted pursuant to subparagraph (A) of this paragraph shall describe model transitional planning services for both severely and mildly handicapped youth designed to develop procedures, strategies, and techniques which may be replicated successfully in other rural States.

(5) There are authorized to be appropriated $450,000 for fiscal year 1987, $475,830 for fiscal year 1988, $504,427 for fiscal year 1989, and $535,550 for fiscal year 1990 to carry out the provisions of this subsection.

MIGRATORY WORKERS

SEC. 312. The Commissioner, subject to the provisions of section 306, is authorized to make grants to any State agency designated pursuant to a State plan approved under sectioan 101, or to any local agency participating in the administration of such a plan, to pay up to 90 per centum of the cost of projects or demonstrations for the provision of vocational rehabilitation services to handicapped individuals, as determined in accordance with rules prescribed by the Secretary of Labor, who are migratory agricultural workers or seasonal farmworkers, and to members of their families (whether or not handicapped) who are with them, including maintenance and transportation of such individuals and members of their families where necessary to the rehabilitation of such individuals. Maintenance payments under this section shall be consistent with any maintenance payments made to other handicapped individuals in the State under this Act. Such grants shall be conditioned upon satisfactory assurance that in the provision of such services there will be appropriate cooperation between the grantee and other public or nonprofit agencies and organizations having special skills and experience in the provision of services to migratory agricultural workers, seasonal farmworkers, or their families. This section shall be administered in coordination with other programs serving migrant agricultural workers and seasonal farmworkers, including programs under title I of the Elementary and Secondary Education Act of 1965, the Migrant Health Act, and the Farm Labor Contractor Registration Act of 1963.

READER SERVICES FOR THE BLIND

SEC. 314. (a) The Commissioner may award grants to States or to private nonprofit agencies or organizations of national scope (as so determined by the Commissioner) to—

(1) provide reading services to blind persons who are not otherwise eligible for such services through other State or Federal programs; and

(2) expand the quality and scope of reading services available to blind persons, and to assure to the maximum extent possible that the reading services provided under this Act will meet the reading need of blind persons attending institutions providing elementary, secondary, or post-secondary education, and will be adequate to assist blind persons to obtain and continue in employment.

Any State which receives a grant under this section shall administer the reading services for which such grant is awarded through the designated State unit of the State.

(b) No grant shall be awarded under this section unless the applicant has submitted an application to the Secretary in such form, at such time, and containing such information as the Secretary may require.

(c) For the purposes of this section, the term "reading services" means—

(1) the employment of persons who, by reading aloud, can afford blind persons ready access to printed information;

(2) the transcription of printed information into braille or sound recordings if such transcription is performed pursuant to individual requests from blind persons for such services;

(3) the storage and distribution of braille materials and sound recordings;

(4) the purchase, storage, and distribution of equipment and materials necessary for the production, duplication, and reproduction of braille materials and sound recordings;

(5) the purchase, storage, and distribution of equipment to blind persons to provide them with individual access to printed materials by mechanical or electronic means; and

(6) radio reading services for blind persons.

INTERPRETER SERVICES FOR THE DEAF

SEC. 315. (a) The Commissioner may make grant to designated State units to establish within each State a program of interpreter services (including interpreter referral services) which shall be made available to deaf individuals and to any public agency or private nonprofit organization involved in the delivery of assistance or services to deaf individuals.

(b) No grant may be made under this section unless an application therefor is submitted to the Commissioner in such form, at such times, and in accordance with such procedures as the Commissioner may require. Such application shall—

(1) provide assurances that the program be conducted under this section will be operated in areas within the State which are specifically selected to provide convenient locations for the provision of services to the maximum number of deaf individuals feasible;

(2) include a plan which describes, in sufficient detail, the manner in which interpreter referral services will be coordinated with the information and referral programs required under section 101(a)(22);

(3) provide assurances that the program will seek to enter into contractual or other arrangements, to the extent appropriate, with private nonprofit organizations comprised of primarily hearing-impaired individuals (or private nonprofit organizations which have the primary purpose of providing assistance of services to hearing-impaired individuals) for the operation of such programs;

(4) provide that any interpreter participating in the program shall be required to meet minimum standards established by the Commissioner; and

(5) contain such other information as the Secretary may require.

(c) Any designated State unit receiving funds under this section may provide interpreter services, without cost, for a period of not to exceed one year to any public agency or private nonprofit organization which provides assistance to deaf individuals. At the end of such period, agencies or organizations receiving such services through referrals shall reimburse the designated State unit for the costs of such services. Funds may also be used for the purchase or rental of equipment necessary to provide assistance or services to deaf individuals.

(d) Funds provided to any designated State unit for any program under this section shall not be used for any administrative or related costs, nor shall such funds be used for assistance to deaf individuals who are receiving rehabilitation services under any other provision of this Act.

SPECIAL RECREATION PROGRAMS

[SEC. 316. (a) The Commisioner, subject to the provisions of section 306, shall make grants to State and public nonprofit agencies and organizations for paying part or all of the cost of initiation of recreation programs to provide handicapped individuals with recreational activities to aid in the mobility and socialization of such individuals. The activities authorized to be assisted under this section may include, but are not limited to, scouting and camping, 4-H activities, sports, music, dancing, handicrafts, art, and homemaking. No grant may be made under the provisions of this section unless the agreement with respect to such grant contains provisions to assure that, to the extent possible, existing resources will be used to carry out the activities for which the grant is to be made, and that with respect to children the activities for which the grant is to be made will be conducted after school.

(b) There are authorized to be appropriated to carry out this section $2,000,000 for the fiscal year 1984, $2,100,000 for the fiscal year 1985, and $2,200,000 for the fiscal year 1986.]

SEC. 316. (a)(1) The Commissioner, subject to the provisions of section 306, shall make grants to States, public agencies, and nonprofit private organizations for paying part or all of the cost of initiation of recreation programs to provide handicapped individuals with recreational activities and related expenses to aid in the mobility, socialization, independence, and community integration of such individuals. The programs authorized to be assisted under this section may include, but are not limited to, leisure education, leisure networking, leisure resource development, physical education and sports, scouting and camping, 4-H activities, music, dancing, handicrafts, art, and homemaking. Whenever possible and appropriate, such programs and activities should be provided in settings with nonhandicapped peers. Programs and activities under this section shall be designed to demonstrate ways in which such programs assist in maximizing the independence and integration of individuals with handicaps.

(2) Each such grant shall be made for a minimum of a three-year period.

(3) No grant may be made under this section unless the agreement with respect to such grant contains provisions to assure that, to the extent possible, existing resources will be used to carry out the activities for which the grant is to be made, and that with respect to children the activities for which the grant is to be made will be conducted before or after school.

(b) There are authorized to be appropriated $2,330,000 for fiscal year 1987, $2,470,000 for fiscal year 1988, $2,620,000 for fiscal year 1989, and $2,780,000 for fiscal year 1990, to carry out this section.

TITLE IV—NATIONAL COUNCIL ON THE HANDICAPPED

ESTABLISHMENT OF NATIONAL COUNCIL ON THE HANDICAPPED

SEC. 400. (a)(1) There is established within the Federal Government a National Council on the Handicapped (hereinafter in this title referred to as the "National Council"), which shall be composed of fifteen members appointed by the President, by and with the advice and consent of the Senate. The members of the National Council shall be appointed so as to be representative of handicapped individuals, national organizations concerned with the handicapped, providers and administrators of services to the handicapped, individuals engaged in conducting medical or scientific research relating to handicapped individuals, business concerns, and labor organizations. At least five members of the National Council shall be handicapped individuals, or parents or guardians of handicapped individuals.

(2) The purpose of the National Council is to promote the full integration, independence, and productivity of handicapped individuals in the community, schools, the workplace and all other aspects of American life.

(b)(1) Members of the National Council shall be appointed to serve for terms of three years, except that of the members first appointed—

(A) five shall serve for terms of one year,

(B) five shall serve for terms of two years,

(C) five shall serve for terms of three years,

as designated by the President at the time of appointment.

(2) Members may be reappointed and may serve after the expiration of their terms until successors have taken office.

(3) Any member appointed to fill a vacancy occurring before the expiration of the terms for which his predecessor was appointed shall be appointed only for the remainder of such term.

(c) The President shall designate the Chairman from among the members appointed to the National Council. The National Council shall meet at the call of the Chairman, but not less often than four times each year.

(d) Eight members of the National Council shall constitute a quorum and any vacancy in the National Council shall not affect its power to function.

DUTIES OF NATIONAL COUNCIL

SEC. 401. (a) The National shall—

(1) establish general policies for, and review the operation of, the National Institute of Handicapped Research;

(2) provide advice to the Commissioner with respect to policies of and conduct of the Rehabilitation Services Administration;

(3) advise the President, the Congress, the Commissioner, the appropriate Assistant Secretary of the Department of Education, and the Director of the National Institute of Handicapped Research on the development of programs to be carried out under this Act;

[(4) review and evaluate on a continuing basis all policies, programs, and activities concerning handicapped individuals and persons with developmental disabilities conducted or assisted by Federal departments and agencies, including programs extablished or assisted under this Act or under the Developmental Disabilities Assistance and Bill of Rights Act, in order to assess the effectiveness of such policies, programs, and activities in meeting the needs of handicapped individuals;]

(4) review and evaluate on a continuing basis—

(A) all policies, programs and activities concerning handicapped individuals and persons with disabilities conducted or assisted by Federal departments and agencies, including programs established or assisted under this Act or under the Developmental Disabilities Assistance and Bill of Rights Act; and

(B) all statutes pertaining to Federal programs which assisted such handicapped individuals and persons with disabilities;

in order to assess the effectiveness of such policies, program, activities, and statutes in meeting the needs of handicapped individuals and persons with disabilities;

(5) assess the extent to which such policies, programs, and activities provide incentives or disincentives to the establishment of community-based services for handicapped individuals, promote the full intergration of such individuals in the community, in schools, and in the workplace, and contribute to the independence and dignity of such individuals;

[(5)] *(6)* make recomendations to the President, the Congress, the Secretary, and the Director of the National Institute of Handicapped Research respecting ways to improve research concerning handicapped individuals, the administration of services for handicapped individuals, the administration of services for handicapped individuals, and the methods of collecting and disseminating the findings of such research, and make recommendations for facilitating the implementation of programs based upon such findings;

[(6)] *(7)* submit not later than March 31 of each year (beginning in 1980) an annual report to the Congress, and the President, containing (A) a statement of the current status of research concerning the handicapped inthe United States, (B) a review of the activities of the Rehabilitation Services Administration and the National Institute of Handicapped Research, and (C) such recommendations respecting the items described in clauses (A) and (B) as the National Council consider appropriate; and

[(7) *(8)* provide to the Congress on a continuing basis advice, recommendations, *legislative proposals* and any additional information which the Council or the Congress deems appropriate.

[(b) The National Council shall—

(1) review all statutes pertaining to Federal programs which assist handicapped individuals;

(2) make a priority listing of such programs based on the number of handicapped individuals such programs assist and the Federal costs of such programs;

(3) assess the extent to which such programs provide incentive or disincentives to the establishment of community-based services for handicapped individuals, promote the full integration of such individuals in the community, in schools, and in

the workplace, and contribute to the independence and dignity of such individuals;

(4) recommend to the President and the Congress legislative proposals for increasing incentives and eliminating disincentives in Federal programs based on the assessment made pursuant to clause (3); and

(5) prepare and submit a final report to the President and to the Congress not later than February 1, 1986, on the review, assessment, and recommendations required by this subsection.]

COMPENSATION OF NATIONAL COUNCIL MEMBERS

SEC. 402. (a) Members of the National Council shall be entitled to receive compensation at a rate equal to the rate of basic pay payable for grade GS-18 of the General Schedule under section 5332 of title 5, United States Code, including traveltime, for each day they are engaged in the performance of their duties as members of the National Council.

(b) Members of the National Council who are full-time officers or employees of the United States shall receive no additional pay on account of their service on the National Council except for compensation for travel expenses as provided under subsection (c) of this section.

(c) While away from their homes or regular places of business in the performance of services for the National Council, members of the National Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

STAFF OF NATIONAL COUNCIL

SEC. 403. (a)(1) The National Council may appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, an Executive Director to assist the National Council to carry out its duties. The Executive Director shall be appointed from among individuals who are experienced in the planning or operation of programs for handicapped individuals.

(2) The Executive Director is authorized to hire not to exceed seven technical and professional employees to assist the National Council to carry out its duties.

(b)(1) The National Council may procure temporary and intermittent services to the same extent as is authorized by section 3109(b) of title 5, United States Code (but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay payable for grades GS-18 of the General Schedule under section 5332 of title 5, United States Code).

(2) The National may—

(A) accept voluntary and uncompemsated services, notwithstanding the provisions of section 1342, United States Code;

(B) accept, in the name of the Council, employ and dispose of in furtherance of this Act, any money, or property, real or personal, or mixed, tangible or nontangible, received by gift, devise, bequest, or otherwise; and

(C) enter into contracts and cooperative agreements with Federal and State agencies, private firms, institutions, and individuals for the conduct of research and surveys, preparation of reports and other activities necessary to the discharge of the Council's duties and responsibilities.

(3) Not more than 10 per centum of the total amounts available to the National Council in each fiscal year may be used for official representation and reception.

[(4) From the amount available to the Office of Special Education and Rehabilitative Services, Department of Education, $500,000 in fiscal year 1984 shall be transferred and made available to the National Council.]

(c) The Administrator of General Services shall provide to the National Council on a reimbursable basis such administrative support services as the Council may request.

ADMINISTRATIVE POWERS OF NATIONAL COUNCIL

SEC. 404. (a) The National Council may prescribe such bylaws and rules as may be necessary to carry out its duties under this title.

(b) The National Council may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as it deems advisable.

(c) The National Council may appoint advisory committees to assist the National Council in carrying out its duties. The members thereof shall serve without compensation.

(d) The National Council may use the United States mails in the same manner and upon the same conditions as other departments and agencies of the United States.

AUTHORIZATION OF APPROPRIATIONS

SEC. 405. There are authorized to be appropriated to carry out this title such sums as may be necessary *for each of the fiscal years 1987, 1988, 1989, and 1990.*

TITLE V—MISCELLANEOUS

EFFECT ON EXISTING LAW

SEC. 500. (a) The Vocational Rehabilitation Act (29 U.S.C. 31 et seq.) is repealed ninety days after the enactment of this Act and references to such Vocational Rehabilitation Act in any other provision of law shall, ninety days after such date, be deemed to be references to the Rehabilitation Act of 1973. Unexpended appropriations for carrying out the Vocational Rehabilitation Act may be made available to carry out this Act, as directed by the President. Approved State plans for vocational rehabilitation, approved projects, and contractual arrangements authorized under the Vocational Rehabilitation Act will be recognized under comparable provisions of this Act so that there is no disruption of ongoing activities for which there is continuing authority.

(b) The authorizations of appropriations in the Vocational Rehabilitation Act are hereby extended at the level specified for the fiscal year 1972 for the fiscal year 1973.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 501. (a) There is established within the Federal Government an Interagency Committee on Handicapped Individuals (hereinafter in this section referred to as the "Committee"), comprised of such members as the President may select, including the following (or their designees whose positions are Executive Level IV or higher): the Chairman of the [Office of Personnel Management] *Equal Employment Opportunity Commission*, the Administrator of Veterans' Affairs, and the Secretaries of Labor and Education and Health and Human Services. The Secretary of Education and the Chairman of the [Office of Personnel Management] *Equal Employment Opportunity Commission* shall serve as co-chairmen of the Committee. The resources of the President's Committee on Employment of the Handicapped and on Mental Retardation shall be made fully available to the Committee. It shall be the purpose and function of the Committee (1) to provide a focus for Federal and other employment of handicapped individuals, and to review, on a periodic basis, in cooperation with the [Office of Personnel Management] *Equal Employment Opportunity Commission*, the adequacy of hiring, placement, and advancement practices with respect to handicapped individuals, by each department, agency, and instrumentality in the executive branch of Government, and to insure that the special needs of such individuals are being met; and (2) to consult with the [Office of Personnel Management] *Equal Employment Opportunity Commission* to assist the Office to carry out its responsibilities under subsection (b), (c), and (d) of this section. On the basis of such review and consultation, the Committee shall periodically make to the [Office of Personnel Management] *Equal Employment Opportunity Commission* such recommendations for legislative and administrative changes as it deems necessary or desirable. The [Office of Personnel Management] *Equal Employment Opportunity Commission* shall timely transmit to the appropriate committees of Congress any such recommendations.

(b) Each department, agency, and instrumentality (including the United States Postal Service and the Postal Rate Commission) in the executive branch shall, within one hundred and eighty days after the date of enactment of the Act, submit to the [Office of Personnel Management] *Equal Employment Opportunity Commission* and to the Committee an affirmative action program plan for the hiring, placement, and advancement of handicapped individuals in such department, agency, or instrumentality. Such plan shall include a description of the extent to which and methods whereby the special needs of handicapped employes are being met. Such plan shall be updated annually, and shall be reviewed annually and approved by the Office. If the Office determines, after consultation with the Committee, that such plan provide sufficient assurances, procedures, and commitments to provide adequate hiring, placement and advancement opportunities for handicapped individuals.

(c) The [Office of Personnel Management] *Equal Employment Opportunity Commission*, after consultation with the Committee, shall develop and recommend to the Secretary for referral to the appropriate State agencies, policies and procedures which will facilitate the hiring, placement, and advancement in employment of individuals who have received rehabilitation services, or any other program for handicapped individuals, including the promotion of job opportunities for such individuals. The Secretary shall encourage such State agencies to adopt and implement such policies and procedures.

(d) The [Office of Personnel Management] *Equal Employment Opportunity Commission*, after consultation with the Committee, shall, on June 30, 1974, and at the end of each subsequent fiscal year, make a complete report to the appropriate committees of the Congress with respect to the practices of and achievements in hiring, placement, and advancement of handicapped individuals by each department, agency, and instrumentality and the effectiveness of the affirmative action program required by subsection (b) of this section, together with recommendations as to legislation which have been submitted to the [Office of Personnel Management] *Equal Employment Opportunity Commission* under subsection (a) of this section, or other appropriate action to insure the adequacy of such practices. Such report shall also include an evaluation by the Committee of the effectiveness of the activities of the [Office of Personnel Management] *Equal Employment Opportunity Commission* under subsections (b) and (c) of this section.

(e) An individual who, as a part of his individualized written rehabilitation program under a State plan approved under this Act, participated in a program of unpaid work experience in a Federal agency, shall not, by reason thereof, be considered a Federal employee or to be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leaves, unemployment compensation, and Federal employee benefits.

(f)(1) The Secretary of Labor and the Secretary of Education are authorized and directed to cooperate with the President's Committee on Employment of the Handicapped in carrying out its functions.

(2) In selecting personnel to fill all positions on the President's Committee on Employment of the Handicapped, special consideration shall be given to qualified handicapped individuals.

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

SEC. 502. (a)(1) There is established within the Federal Government the Architectural and Transportation Barriers Compliance Board (hereinafter referred to as the "Board") which shall be composed as follows:

(A) Eleven members shall be appointed by the President from among member of the general public of whom five shall be handicapped individuals.

(B) The remaining members shall be the heads of each of the following departments or agencies (or their designees whose positions are executive level IV of higher):

(i) Department of Health and Human Services.
(ii) Department of Transportation.
(iii) Department of Housing and Urban Development.
(iv) Department of Labor.
(v) Department of the Interior.
(vi) Department of Defense.
(vii) Department of Justice.
(viii) General Services Administration.
(ix) Veterans' Administration.
(x) United States Postal Service.
(xi) Department of Education.

The President shall appoint the first Chairman of such Board who shall serve for a term of not more than two years; thereafter, the Chairman shall be elected by a vote of a majority of the Board for a term of one year.

(2) The term of office of each appointed member of the Board shall be three years; except that (i) the members first taking office shall serve, as designated by the President at the time of appointment, four for a term of one year, four for a term of two years, and three for a term of three years, and (ii) any member appointed to fill a vacancy shall serve for the remainder of the term for which his predecessor was appointed.

(3) If any appointed member of the Board becomes a Federal employee, such member may continue as a member of the Board for not longer than the sixty-day period beginning on the date he becomes such an employee.

(4) No individual appointed under paragraph (1)(A) of this subsection who has served as a member of the Board may be reappointed to the Board more than once unless such individual has not served on the Board for a period of two years prior to the effective date of such individual's appointment.

(5)(A) Members of the Board who are not regular full-time employees of the United States shall, while serving on the business of the Board, be entitled to receive compensation at rates fixed by the President, but not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code, including traveltime, for each day they are engaged in the performance of their duties as members of the Board; and shall be entitled to reimbursement for travel, subsistence, and other necessary expenses incurred by them in carrying out their duties under this section.

(B) Members of the Board who are employed by the Federal Government shall serve without compensation, but shall be reimbursed for travel, subsistence, other necessary expenses incurred by them in carrying out their duties under this section.

(b) It shall be the function of the Board to: (1) insure compliance with the standards prescribed pursuant to the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968 (including the application of that Act to the United States Postal Service) including but not limited to enforcing all standards under that Act, and insuring that all waivers and modification of standards are based upon findings of fact and are not inconsistent with the provisions of such Act and this section; (2) investigate and examine alternative approaches to the architectural, transportation, communication, and attitudinal barriers confronting handicapped individuals, particularly with respect to telecommunications devices, public buildings anbd monuments, parks and parklands, public transportation (including air, water, and surface transportation whether interstate, foreign, intrastate, or local), and residential and institutional housing; (3) determine what measure are being take by Federal, State, and local governments and by other public or nonprofit agencies to eliminate the barriers described in clause (2) of this subsection; (4) promote the use of the International Accessibility Symbol in all public facilities that are in compliance with the standard prescribed by the Administrator of the General Services Administration, the Secretary of Defense, and the Secretary of Housing and Urban Development pursuant to the Architectural Barriers Act of 1968; (5) make to the President and to Congress reports which shall describe in detail the results to its investigations under clauses (2) and (3) of this subsection; (6) make to the President and to the Congress such recommendations for legislation and administration as it deems necessary or desirable to eliminate the barriers described in clause (2) of this subsection; (7) establish minimum guidelines and requirements for the standards issued pursuant to the Act of August 12, 1968, as amended, commonly known as the Architectural Barriers Act of 1968; and (8) insure that public conveyances, including rolling stock, are readily accessible to, and usable by, physically handicapped persons.

(c) The Board shall also (1)(A) determine how and to what extent transportation barriers impede the mobility of handicapped individuals and aged handicapped individuals and consider ways in which travel expenses in connection with transportation to and from work for handicapped individuals can be met or subsidized when such individuals are unable to use mass transit systems or need special equipment in private transportation, and (B) consider the housing needs of handicapped individuals; (2) determine what measures are being taken, especially by public and other nonprofit agencies and groups having and interest in and a capacity to deal with such problems, (A) to eliminate barriers from public transportation systems (including vehicles used in such systems), and to prevent their incorporation in new or expanded transportation systems and (B) to make housing available and accessible to handicapped individual or to meet sheltered housing needs; and (3) prepare plans and proposals for such further actions as may be necessary to the goals of adequate transportation and housing for handicapped individuals, including proposals for bringing together in a cooperative effort, agencies, organizations, and groups already working toward such goals or whose cooperation is essential to effective and comprehensive action.

(d)(1) In carrying out its function under this Act, the Board shall, directly or through grants to public or private nonprofit organizations or contracts with private or for profit organizations, carry out its functions under subsection (b) and (c) of the section, and shall conduct investigation, hold public hearings, and issue such orders as it deems necessary to insure compliance with the provisions of the Acts cited in subsection (b). Except as provided in paragraph of

(3) of subsection (e), the provisions of subchapter II of chapter 5, and chapter 7 of title 5, United States Code, shall apply to procedures under this section, and an order of compliance issued by the Board shall be a final order for purposes of judicial review. Any such order affecting any Federal department, agency, or instrumentality of the United States shall be final and binding on such department, agency, or instrumentality. An order of compliance may include the withholding or suspension of Federal funds with respect to any building or public conveyance or rolling stock found not to be in compliance with standards enforced under this section. Pursuant to chapter 7 of title 5, United States Code, any complainant or participant in a proceeding under this subsection may obtain review of a final order issued in such proceeding.

(2) The Executive Director is authorized, at the direction of the Board—

(A) to bring civil action in any appropriate United States district court to enforce, in whole or in part, any final order of the Board under this subsection; and

(B) to intervene, appear, and participate, or to appear as amicus curiae, in any court of the United States or in any court of a State in civil actions which related to this section or to the Architectural Barriers Act of 1968.

Except as provided in section 518(a) of title 28, United States Code, relating to litigation before the Supreme Court, the Executive Director may appear for and represent the Board in any civil litigation brought under this section.

(3) The Board, in consultation and coordination with other concerned Federal departments and agencies and agencies within the [Department of Health, Education, and Welfare] *Department of Education*, shall develop standards and provide appropriate technical assistance to any public or private activity, person, or entity affected by regulations prescribed pursuant to this title [with respect overcoming to] *with respect to overcoming* architectural, transportation, and communication barriers. Any funds appropriated to any such department or agency for the purpose of providing such assistance may be transferred to the Board for the purpose of carrying out this paragraph. The Board may arrange to carry out its responsibilities under this paragraph through such other departments and agencies for such periods as the Board determines is appropriate. In carrying out its technical assistance responsibilities under this paragraph, the Board shall establish a procedure to insure separation of its compliance and technical assistance responsibilties under this section.

(e)(1) There shall be appointed by the Board an Executive Director and such other professional and clerical personnel as are necessary to carry out its functions under this Act. The Board is authorized to appoint as many hearing examiners as are necessary for proceedings required to be conducted under this section. The provisions applicable to hearing examiners appointed under section 3105 of title 5, United States Code, shall apply to hearing examiners appointed under this subsection.

(2) The Executive Director shall exercise general supervision over all personnel employed by the Board (other than hearing examiners and their assistants). The Executive Director shall have final

authority on behalf of the Board, with respect to the investigation of alleged noncompliance and in the issuance of formal complaints before the Board, and shall have such other duties as the Board may prescribe.

(3) For the purpose of this section, an order of compliance issued by a hearing examiner shall be deemed to be an order of the Board and shall be the final order for the purpose of judicial review.

(f) The departments or agencies specified in subsection (a) of this section shall make available to the Board such technical, administrative, or other assistance as it may require to carry out its functions under this section, and the Board may appoint such other advisers, technical experts, and consultants as it deems necessary to assist it in carrying out its functions under this section. Special advisory and technical experts and consultants appointed pursuant to this subsection shall, while performing their functions under this section, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding the daily pay rate, for a person employed as a GS-18 under section 5332 of title 45, United States Code, including traveltime, and while serving away from their homes or regular places of business that may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of such title 5 for persons in the Government service employed intermittently.

(g) The Board shall, at the end of each fiscal year, report its activities during the preceding fiscal year to the Congress. Such report shall include an assessment of the extent of compliance with the Acts cited in subsection (b) of this section, along with a description and analysis of investigations made and actions taken by the Board, and the reports and recommendations described in clauses (5) and (6) of subsection (b) of this section. The Board shall prepare two final reports of its activities under section (c). One such report shall be on its activities in the field of transportation barriers to handicapped individuals, and the other such report shall be on its activities in the field of the housing needs of handicapped individuals. The Board shall, not later than September 30, 1975, submit each such report, together with its recommendations, to the President, and the Congress. The Board shall also prepare for such submissions an interim report of its activities in each such field with 18 months after the date of enactment of this Act. *The Board shall prepare and submit two additional reports of its activities under subsection (c) of this section, one report on its activities in the field of transportation barriers of handicapped individuals and the other report on its activities in the field of the housing needs of handicapped individuals. The two additional reports required by the previous sentence shall be submitted not later than February 1, 1988.*

(h)(1) Within one year following the enactment of this subsection, the Board shall submit to the President and the Congress a report containing an assessment of the amounts required to be expended by States and by political subdivisions thereof to provide handicapped individuals with full access to all programs and activities receiving Federal assistance.

(2) The Board may make grants to, or enter into contracts with, public or private organizations to carry out its duties under subsections (b) and (c). The Board may also make grants to any designat-

ed State unit for the purpose of conducting studies to provide the cost assessment required by paragraph (1). Before including in such report the finding of any study conducted for the Board under a grant or contract to provide the Board with such cost assessments, the Board shall take all necessary steps to validate the accuracy of any such findings.

(i) There are authorized to be approriated for the purpose of carrying out the duties and functions of the Board under this section such sums as may be necessary for each fiscal year ending before October 1, **[**1986**]** *1990*, but in no event shall the amount appropriated for any one fiscal year exceed $3,000,000.

EMPLOYMENT UNDER FEDERAL CONTRACTS

SEC. 503. (a) Any contract in excess of $2,500 entered into by any Federal department or agency for the procurement of personal property and nonpersonal services (including construction) for the United States shall contain a provision requiring that in employing persons to carry out such contract the party contracting with the United States shall take affirmative action to employ and advance in employment qualified handicapped individuals as defined in section 7**[**(7)**]** *(8)*. The provisions of this section shall apply to any subcontract in excess of $2,500 entered into by a prime contractor in carrying out any contract for the procurement of personal property and nonpersonal services (including construction) for the United States. The President shall implement the provisions of this section by promulgating regulations within ninety days after the date of enactment of this section.

(b) If any handicapped individual believes any contractor has failed or refused to comply with the provisions of his contract with the United States, relating to employment of handcapped individuals, such individual may file a complaint with the Department of Labor. The Department shall promptly investigate such complaint and shall take such action thereon as the facts and circumstances warrant, consistent with the terms of such contract and the laws and regulations applicable thereto.

(c) The requirements of this section may be waived, in whole or in part, by the President with respect to a particular contract or subcontract, in accordance with guidelines set forth in regulations which he shall prescribe, when he determines that special circumstances in the national interest so require and states in writing his reasons for such determination.

NONDISCRIMINATION UNDER FEDERAL GRANTS AND PROGRAMS

SEC. 504. No otherwise qualified handicapped individual in the United States, as defined in section 7**[**(7)**]** *(8)*, shall, solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance or under any program or activity conducted by any Executive agency or by the United States Postal Service. The head of each such agency shall promulgate such regulations as may be necessary to carry out the amendments to this section made by the Rehabilitation, Comprehensive Services, and Developmental Disabilities Act of 1978.

Copies of any proposed regulation shall be submitted to appropriate authorizing committees of the Congress, and such regulation may take effect no earlier than the thirtieth day after the date on which such regulation is so submitted to such committees.

REMEDIES AND ATTORNEYS' FEES

SEC. 505. (a)(1) The remedies, procedures, and rights set forth in section 717 of the Civil Rights Act of 1964 (42 U.S.C. 2000e-16), including the application of sections 706(f) through 706(k) (42 U.S.C. 2000e-5 (f) through (k)), shall be available, with respect to any complaint under section 501 of this Act, to any employee or applicant for employment aggrieved by the final disposition of such complaint, or by the failure to take final action on such complaint. In fashioning an equitable or affirmative action remedy under such section, a court may take into account the reasonableness of the cost of any necessary work place accommodation, and the availability or alternatives therefor or other appropriate relief in order to achieve an equitable and appropriate remedy.

(2) The remedies, procedures, and rights set forth in title VI of the Civil Rights Act of 1964 shall be available to any person aggrieved by any act or failure to act by any recipient of Federal assistance or Federal provider of such assistance under section 504 of this Act.

(b) In any action or proceeding to enforce or charge a violation of a provision of this title, the court, in its discretion, may allow the prevailing party, other than the United States, a reasonable attorney's fee as part of the costs.

SECRETARIAL RESPONSIBILITIES

SEC. 506. (1) The Secretary may provide directly or by contract with State vocational rehabilitation agencies or experts or consultants or groups thereof, technical assistance—

(A) to persons operating rehabilitation facilities; and

(B) with the concurrence of the Board established by section 502, to any public or nonprofit agency, institution, or organization;

for the purpose of assisting such persons or entities in removing architectural, transportation, or communication barriers. Any concurrence of the Board under this paragraph shall reflect its consideration of the cost studies carried out by States under section 502(c)(1).

(2) Any such experts or consultants, while serving pursuant to such contracts, shall be entitled to receive compensation at rates fixed by the secretary, but not exceeding the daily equivalent of the rate of a basic pay payable for grade GS-18 of the General Schedule, under section 5332 of title 5, United States Code, including traveltime, and while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

(3) The Secretary, with the concurrence of the Board and the President may provide, directly or by contract, financial assistance

or any public or nonprofit agency, institution, or organization for the purpose of removing architectural, transportation, and communication barriers. No assistance may be provided under this paragraph until a study demonstrating the need for such assistance has been conducted and submitted under section 502(h)(2) of this title.

(4) In order to carry out this section, there are authorized to be appropriated such sums as may be necessary.

INTERAGENCY COORDINATING COUNCIL

SEC. 507. There shall be established an Interagency Coordinating Council (hereinafter referred to in this section as the "Council") composed of the Secretary of Education, the Secretary of Health and Human Services, the Secretary of Labor, the Attorney General, the Chairman of the Office of Personnel Management, the Chairman of the Equal Employment Opportunity Commission and the Chairman of the Architectural and Transportation Barriers Compliance Board. The Council shall have the responsibility for developing and implementing agreements, policies, and practices designed to maximize effort, promote efficiency, and eliminate conflict, competition, duplication, and inconsistencies among the operations, functions and jurisdiction of the various departments, agencies, and branches of the Federal Government responsible for the implementation and enforcement of the provisions of this title, and the regulations prescribed thereunder. On or before July 1 of each year, the Council shall transmit to the President and to the Congress a report of its activities, together with such recommendations for legislative or administrative changes as it concludes are desirable to further promote the purposes of this section. Nothing in this section shall impair any responsiblities assigned by any Executive Order to any Federal department, agency, or instrumentality to act as a lead Federal agency with respect to any provisions of this title.

ELECTRONIC EQUIPMENT ACCESSIBILITY

SEC. 508. (a)(1) The Secretary, through the National Institute of Handicapped Research, and in consultation with the electronic industry, shall develop and establish guidelines for electronic equipment accessibility designed to insure that handicapped individuals may use electronic office equipment with or without special peripherals.

(2) The guildelines established pursuant to paragraph (1) shall be applicable with respect to electronic equipment, whether purchased or leased.

(3) The initial guidelines shall be established not later than October 1, 1987, and shall be continually revised as technologies advance or change.

(b) Beginning after September 30, 1988, the Administrator of the General Services Administration shall adopt guidelines for electronic equipment accessibility established under subsection (a) for Federal procurement of electronic equipment. Each agency shall comply with the guidelines adopted under this subsection.

(c) For the purpose of this section, the term "special peripherals" means a special needs aid that provides access to electronic equipment that is otherwise inaccessible to a handicapped individual.

TITLE VI—EMPLOYMENT OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

SHORT TITLE

SEC. 601. This title may be cited as the "Employment Opportunities for Handicapped Individuals Act".

PART A--COMMUNITY SERVICE EMPLOYMENT PILOT PROGRAM FOR HANDICAPPED INDIVIDUALS

ESTABLISHMENT OF PILOT PROGRAM

SEC. 611. (a) In order to promote useful opportunities in community service activities for handicapped individuals who have poor employment prospects, the Secretary of Labor (hereinafter in this part referred to as the "Secretary") is authorized to establish a community service employment pilot program for handicapped individuals. For purposes of this part, the term "eligible individuals" means persons who are handicapped individuals (as defined in section 7(7) of this Act) and who are referred to programs under this part by designated State units.

(b)(1) The Secretary may enter into agreements with public or private nonprofit agencies or organizations, including national organizations, agencies of a State government or a political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or tribal organizations in order to carry out the pilot program referred to in subsection (a). Such agreements may include provisions consistent with subsection (c) for the payment of the costs of projects developed by such organizations and agencies in cooperation with the Secretary. No payment shall be made by the Secretary toward the cost of any such project unless the Secretary determines that:

(A) Such project will provide employment only for eligible individuals, except that if eligible individuals are not available to serve as technical, administrative, or supervisory personnel for a project then such personnel may be recruited from among other individuals.

(B) Such project will provide employment for eligible individuals in the community in which such individuals reside, or in nearby communities.

(C) Such project will employ eligible individuals in services related to publicly owned and operated facilities and projects, or projects sponsored by organizations, other than political parties, exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1954, except for projects involving the construction, operation, or maintenance of any facility used or to be used as a place for sectarian religious instruction or worship.

(D) Such project will contribute to the general welfare of the community in which eligible individuals are employed under such project.

(E) Such project (i) will result in an increase in employment opportunities over those opportunities which would otherwise be available, (ii) will not result in any displacement of currently employed workers (including partial displacement, such as a reduction in the hours of nonovertime work or wages or employment benefits), and (iii) will not impair existing contracts or result in the substitution of Federal funds for other funds in connection with work that would otherwise be performed.

(F) Such project will not employ any eligible individual to perform work which is the same or substantially the same as that performed by any other person who is on layoff from employment with the agency or organization sponsoring such project.

(G) Such project will utilize methods of recruitment and selection (including the listing of job vacancies with the State agency units designated under section 101(a)(2)(A) to administer vocational rehabilitation services under this Act) which will assure that the maximum number of eligible individuals will have an opportunity to participate in the project.

(H) Such project will provide for (i) such training as may be necessary to make the most effective use of the skills and talents of individuals who are participating in the project, and (ii) during the period of such training, a reasonable subsistence allowance for such individuals and the payment of any other reasonable expenses related to such training.

(I) Such project will provide safe and healthy working conditions for any eligible individual employed under such project and will pay any such individual at a rate of pay not lower than the rate of pay described in (2).

(J) Such project will be established or administered with the advice of (i) persons competent in the field of service in which employment is being provided, and (ii) persons who are knowledgeable with regard to the needs of handicapped individuals.

(K) Such project will pay any reasonable costs for work-related expenses, transportation, and attendant care incurred by eligible individuals employed under such project in accordance with regulations prescribed by the Secretary.

(L) Such project will provide appropriate placement services for employees under the project to assist them in locating unsubsidized employment when the Federal assistance for the project terminated.

(2) The rate of pay referred to in subparagraph (I) of paragraph (1) is the highest of the following:

(A) The prevailing rate of pay for persons employed in similar occupations by the same employer.

(B) The minimum wage which would be applicable to the employee under the Fair Labor Standards Act of 1938 if such employee were not exempt from such Act under section 13 thereof.

(C) The State or local minimum wage for the most nearly comparable covered employment.

The Department of Labor shall not issue any certificate of exemption under section 14(c) of the Fair Labor Standards Act of 1938 with respect to any person employed in a project under this section.

(c)(1) The Secretary may pay not to exceed 90 percent of the cost of any project which is the subject of an agreement entered into under subsection (b). Notwithstanding the preceding sentence, the Secretary may pay all of the costs of any subproject which is (A) an emergency or disaster project, or (B) a project located in an economically depressed area, as determined by the Secretary in consultation with the Secretary of Commerce and the Director of the Community Services Administration.

(2) The non-Federal share of any project under this part may be in cash or in kind. In determining the amount of the non-Federal share, the Secretary may attribute fair market value to services and facilities contributed from non-Federal sources.

(d) Payments under this part may be made in advance or by way of reimbursement, and in such installments as the Secretary may determine.

ADMINISTRATION

Sec. 612. (a) In order to effectively carry out the provisions of this part, the Secretary shall, through the Commissioner of the Rehabilitation Services Administration, consult with any designated State unit with regard to—

(1) the localities in which community service projects of the authorized type authorized by this part are most needed;

(2) the employment situations and types of skills possessed by eligible individuals in such localities; and

(3) potential projects suitable for funding in such localities.

(b) The Secretary shall coordinate the pilot program established under this part with program authorized under the Emergency Jobs and Unemployment Assistance Act of 1974, the Job Training Partnership Act, the Community Services Act of 1974, and the Emergency Employment Act of 1971. Appropriations under this part may not be used to carry out any program under the Acts referred to in the preceding sentence.

(c) In carrying out this part, the Secretary may, with the consent of any other Federal, State, or local agency, use the services, equipment, personnel, and facilities of such agency with or without providing such agency with reimbursement and may use the services, equipment, and facilities of any other public or private entity on a similar basis.

(d) Within one hundred and eighty days after the effective date of this part, the Secretary shall issue and publish in the Federal Register such regulations as may be necessary to carry out this part.

(e) The Secretary shall not delegate any function of the Secretary under this part to any other department or agency of the Federal Government.

PARTICIPANTS NOT FEDERAL EMPLOYEES

Sec. 613. (a) Eligible individuals who are employed in any project funded under this part shall not be considered to be Federal employees as a result of such employment and shall not be subject to the provisions of part III of title 5, United States Code.

(b) No contract shall be entered into under this part with a contractor who is, or whose employees are, under State law, exempted from operation of any State workmen's compensation law generally applicable to employees, unless the contractor shall undertake to provide for persons to be employed under such contract, through insurance by a recognized carrier or by self-insurance authorized by State law, workmen's compensation coverage equal to that provided by law for covered employment.

(c) No part of the wages, allowances, or reimbursement for transportation and attendant care costs made available to an eligible individual employed in any project funded under this part shall be treated as income or benefits for the purpose of any other program or provision of State or Federal law, unless the Secretary makes a case by case determination that disallowance of such income or benefits is inequitable or does not carry out the purposes of this title.

INTERAGENCY COOPERATION

SEC. 614. (a) The Secretary shall consult with, and obtain the written views of, the Commissioner of the Rehabilitation Services Administration before establishing rules or general policy in the administration of this part.

(b) The Secretary shall consult and cooperate with the Director of the Community Services Administration, the Secretary of Health and Human Services, and the heads of other Federal agencies carrying out related programs, in order to achieve maximum coordination between such programs and the program established under this part. Each Federal agency shall cooperate with the Secretary in disseminating information relating to the availability of assistance under this part and identifying individuals eligible for employment in projects assisted under this part.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 615. (a)(1) Preference in awarding grants or contracts under this part shall be given to organizations of proven ability in providing employment services to handicapped individuals under this program and similar programs. The Secretary, in awarding grants and contracts under this section, shall, to the extent feasible, assure and equitable distribution of activities under such grants and contracts among the States, taking into account the needs of underserved States.

(2) The Secretary shall allot for projects within each State the sums appropriated for any fiscal year under Section 617 so that each State will receive an amount which bears the same ratio to such sums as the population of the State bears to the population of all the States.

(b) The amount allotted for projects within any State under subsection (a) for any fiscal year which the Secretary determines will not be required for such year shall be reallotted, from time to time and on such dates during such year as the Secretary may fix, to projects within other States in proportion to the original allotments to projects with such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Secretary estimates that projects within such State need and will be able to use for such year. The total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(c) The amount apportioned for projects within each State under subsection (a) shall be apportioned among areas within each such State in an equitable manner, taking into consideration (1) the proportion which eligible individuals in each such area bears to the total number of such individuals, respectively, in that State, and (2) the relative distribution of such individuals residing in rural and urban areas within the State.

DEFINITIONS

SEC. 616. For purposes of this part—

(1) the term "community services" means social, health, welfare, and educational services, legal and other counseling services and assistance, including tax counseling and assistance and financial counseling, and library, recreational, and other similar services; conservation, maintenance, or restoration of natural resources; community betterment or beautification; antipollution and environmental quality efforts; economic development; and such other services essential and necessary to the community as the Secretary, by regulation, may prescribe;

(2) the term "pilot program" means the community services employment program for handicapped individuals established under this part; and

(3) the term "attendant care" means interpreter services for the deaf, reader services for the blind, and services provided to assist mentally retarded individuals to perform duties of employment.

AUTHORIZATION OF APPROPRIATIONS

SEC. 617. There are authorized to be appropriated to carry out the provisions of this part such sums as may be necessary for each of the [fiscal years 1984, 1985, and 1986] *fiscal years 1987, 1988, 1989, and 1990.*

PART B—PROJECTS WITH INDUSTRY AND BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

PROJECTS WITH INDUSTRY

SEC. 621. (a)*(1) The purpose of this title is to promote opportunities for competitive employment of individuals with handicaps, to provide appropriate placement resources, to engage the talent and leadership of private industry as partners in the rehabilitation process, to create practical settings for job readiness and training programs, and to secure the participation of private industry in identifying and providing job opportunities and the necessary skills and training to qualify people with handicaps for competitive employment.*

[(1)] *(2)* The Commissioner, in consultation with the Secretaries of Labor and Commerce and with designated State units, may enter into agreements with individual employers, designated State units and other entities to establish jointly financed projects which—

[(A) shall provide handicapped individuals with training and employment in a realistic work setting in order to prepare them for employment in the competitive market;

(B) shall provide handicapped individuals with such supportive services as may be required to permit them to continue to engage in the employment for which they have received training under this section; and

(C) shall, to the extent appropriate, expand job opportunities for handicapped individuals by providing for (i) the development and modification of jobs to accommodate the special needs of such individuals, (ii) the distribution of special aids, appliances, or adapted equipment to such individuals, (iii) the establishment of appropriate job placement services, and (iv) the modification of any facilities or equipment of the employer which are to be used primarily by handicapped individuals.]

(A) shall create and expand job opportunities for individuals with handicaps by providing for the establishment of appropriate job placement services;

(B) shall provide individuals with handicaps with training in a realistic work setting in order to prepare them for employment in the competitive market;

(C) shall provide handicapped individuals with such supportive services as may be required to permit them to continue to engage in the employment for which they have received training under this section;

(D) shall, to the extent appropriate, expand job opportunities for handicapped individuals by providing for (i) the development and modification of jobs to accommodate the special aids, appliances, or adapted equipment to such individuals, (ii) the distribution of special aids, appliances, or adapted equipment to such individuals, and (iii) the modification of any facilities or equipment of the employer which are to be used primarily by handicapped individuals; and

(E) shall provide for business advisory councils comprised of representatives of private industry, business concerns, and organized labor who will identify job availability within the community and the skills necessary to fill jobs identified, and prescribe training and programs tailored to their need.

[(2)] *(3)* Any agreement under this subsection shall be jointly developed by the Commissioner, the prospective employer, and, to the extent practicable, the appropriate designated State unit and the handicapped individuals involved. Such agreements shall specify the terms of training and employment under the project, provide for the payment by the Commissioner of part of the costs of the project (in accordance with subsection (c)), and contain the items required under subsection (b) and such other provisions as the parties to the agreement consider to be appropriate.

[(3)] *(4)* Any agreement developed under this subsection shall include a description of an evaluation plan which at the end of each year of a funding cycle reflects at a minimum the following—

(A) the numbers and types of handicapped individuals assisted;

(B) the types of assistance provided;

(C) the sources of funding;

(D) the percentage of resources committed to each type of assistance provided;

(E) the extent to which the employment status and earning power of handicapped individuals changed following assistance;

(F) the extent of capacity building activities, including collaboration with other organizations, agencies, and institutions; and

(G) a comparison, when appropriate of activities in prior years with activities in the most recent year.

(b) No payment shall be made by the Commissioner under any agreement with an employer entered into under subsection (a) unless such agreement—

(1) provides assurances that handicapped individuals placed with such employer shall receive at least the applicable minimum wage;

(2) specified that the Commissioner, together with the designated State unit, has the right to review any termination of employment, and that, in the event such termination occurs less than three years after the date of the commencement of employment of the handicapped individual involved, the Commissioner shall be entitled to require the repayment of a portion of the funds made available to the employer if such termination is without reasonable cause, as determined by the Commissioner in consultation with such designated State unit; **[**and**]**

(3) provides assurance that any handicapped individual placed with such employer shall be afforded terms and benefits of employment equal to those which are afforded to other employees of such employer, and that such handicapped individuals shall not be unreasonably segregated from other employees**[**.**]***; and*

(4) provide assurances that an evaluation report containing data specified under subsection (a)(4) shall be submitted to the Commissioner.

(c) Payments under this section with respect to any project may not exceed 80 per centum of the costs of the project.

(d)(1) The Commissioner shall, not later than February 1, 1985, develop and publish standards for evaluation consistent with the provisions in section (a)(3) to assist each recipient under the Projects With Industry Program receiving assistance under this title to review and evaluate the operation of its project. *Such standards shall be revised as necessary, subject to paragraph (4) of this subsection.*

(2) The Commissioner shall, pursuant to section 14 of this Act, conduct a comprehensive evaluation of the Project With Industry Program and submit a report on February 1, 1986, to Congress on the evaluation, including recommendations for the improvement and continuation if each recipient and for the support of new Projects With Industry recipients. In conducting the comprehensive evaluation, the Commissioner shall apply standards for evaluation criteria which are consistent with those required in section (a)(3).

(3) In developing standards for evaluation to be used by the Projects With Industry recipients, and in developing the standards for evaluation to be used in the comprehensive evaluation, the Commissioner shall obtain and consider recommendations for such standards from State Vocational Rehabilitation Agencies, current Projects With Industry recipients, professional organizations representing industry, organizations representing handicapped individuals, individuals assisted by Projects With Industry recipients, and labor organizations.

(4) No standards may be established under this subsection unless the standards are approved by the National Council on the Handicapped. The Council shall approve the standards within ninety days after receiving the standards. If the Secretary of Education has not received notification of approval or disapproval from the Council within ninety days, the standards shall be deemed approved. A Council decision on such standards shall occur at a regularly scheduled meeting of the Council, and shall be the result of a simple majority of those present at the meeting.

[(e) The parties to each agreement receiving assistance under this section in the fiscal year in which the Rehabilitation Amendments of 1984 is enacted shall continue to receive assistance through September 30, 1986, unless the Commissioner determines that there is a substantial failure to comply with the agreement.

[(f) The Commissioner shall to the extent practicable assure an equitable distribution of payments made under this section among the States.]

(e) The Commissioner may provide, directly or by way of grant or contract, technical assistance to (1) entities conducting Projects With Industry for the purpose of assisting such entities in the improvement of or in the development of relationships with private industry or labor, and (2) entities planning the development of new Projects With Industry.

(f)(1) Each grantee receiving assistance under this section in fiscal year 1986 shall continue to receive assistance through September 30, 1987, unless the Commissioner determines that the grantee is not in compliance with the provisions of the approved application of the grantee.

(2) Grantees continuing to receive assistance on the basis of the review described in paragraph (1) of this subsection shall be evaluated by the Commissioner using standards described in subsection (d)(1) of this section. Each such grantee shall continue to receive assistance for three years unless the Commissioner determines that the grantee is not substantially in compliance with such standards and with the provisions of the approved application of the grantee. In determining whether the grantee is in compliance as required by this sentence, the Commissioner shall annually review each evaluation report submitted under subsection (b)(4) and make a determination concerning the termination, modification, or renewal of each agreement for financial assitance under this section.

(3) Competition for new grant awards under this part shall include consideration of past performance.

(g) In approving applications under this section, the Commissioner shall give priority to the geographic areas among the States which are currently not served or underserved by projects with industry.

BUSINESS OPPORTUNITIES FOR HANDICAPPED INDIVIDUALS

SEC. 622. The Commissioner, in consultation with the Secretaries of Labor and Commerce, may make grants to, or enter into contracts with, handicapped individuals to enable them to establish or operate commercial or other enterprises to develop or market their products or services. Within ninety days after the effective date of this section, the Commissioner shall promulgate regulations to carry out this section, including regulation specifying (1) the maximum amount of money which may be provided under this section to any participant, and (2) procedures for certification, by designated State units, of individuals eligible to participate in any program under this section.

AUTHORIZATION OF APPROPRIATIONS

[SEC. 623. There are authorized to be appropriated such sums as may be necessary to carry out the provision for section 621, $13,000,000 for fiscal year 1984, $14,400,000 for fiscal year 1985, and $15,200,000 for fiscal year 1986; and for section 622, such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.]

SEC. 623. There are authorized to be appropriated to carry out the provisions of section 621, $16,070,000 for fiscal year 1987, $17,010,000 for fiscal year 1988, $18,030,000 for fiscal year 1989, and $19,149,000 for fiscal year 1990, and for section 622 such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990.

PART C—SUPPORTED EMPLOYMENT SERVICES FOR SEVERELY HANDICAPPED INDIVIDUALS

PURPOSE

SEC. 631. It is the purpose of this part to authorize grants (supplementary to grants for vocational rehabilitation services under title I) to assist States in developing collabortative programs with appropriate public agencies and private nonprofit organizations for training and short-term post employment services leading to supported employment for severely handicapped individuals.

ELIGIBILITY

SEC. 632. Services may be provided under this part to any severely handicapped individuals whose ability or potential to engage in a training program and whose ability to engage in a supported employment setting has been determined by an evaluation of rehabilitation potential as defined in section 7 of this Act.

ALLOTMENTS

SEC. 633. (a)(1) The Secretary shall allot the sums appropriated for each fiscal year under this section among the States on the basis of relative population of each State, except that no State shall receive less than $250,000 or one-third of 1 percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater.

(2)(A) For the purposes of this subsection, the term "States" does not include—

(i) Guam,
(ii) American Samoa,
(iii) the Virgin Islands,
(iv) the Republic of the Marshall Islands,
(v) the Federated States of Micronesia,
(vi) the Republic of Palau, and
(vii) the Commonwealth of the Northern Mariana Islands.

(B) The jurisdictions described in clauses (i) through (vii) of subparagraph (A) shall be allotted not less than one-eight of 1 percent of the amounts made available for purposes of this subpart for each clause for this fiscal year for which the allotment is made.

(b) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be expended by such State to carry out the provisions of this part, the Commissioner shall make such amount available for carrying out the provisions of this part to one or more of the States which the Commissioner determines will be able to use additional amounts during such year for carrying out such provisions. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the State's allotment for such year.

(c)(1) In the first fiscal year in which appropriations are made pursuant to section 638 a State may, in lieu of receiving its allotment under this part, make an application for a planning grant for that fiscal year. The Secretary is authorized to approve the appropriation of States which meet the requirements of this subsection.

(2)(A) The grant made under this subsection shall be used for planning activities designed to facilitate the State using its allotment under this part.

(B) No grant under this subsection may exceed a period of 18 months.

(3) No planning grant made under this subsection may exceed $250,000.

STATE PLAN

SEC. 634. (a) In order to be eligible for grants under this part, a State shall submit to the Commissioner as part of the State plan under title I of this Act a State plan supplement for a three-year period for providing supported employment services to severely handicapped individuals. Each State shall make such annual revisions in the plan supplement as may be necessary.

(b) Each such plan supplement shall—

(1) designate each agency of such State designated under section 101(a)(1) of this Act as the agency to administer the program assisted under this part;

(2)(A) specify results of the needs assessment conducted as required by title I of this Act of severely handicapped individuals, as such assessment identifies the need for supported employment services, including the coordination and use of the information within the State relating to section 618(b)(3) of the Education of the Handicapped Act; and

(B) describe the quality, scope, and extent of supported employment services to be provided to severely handicapped individuals under this part, and specify the State's goals and plans with respect to the distribution of funds received under section 635 of this part;

(3) provide assurances that—

(A) an evaluation for each individual has been performed outlining supported employment training and time-limited post-employment services needed;

(B) that an individualized written rehabilitation program as required by section 102 has been developed outlining the services to be provided;

(C) such services will be provided in accordance with such program or a program specified under subsection (b)(3)(D);

(D) such services will be coordinated with the evaluation, the individual written rehabilitation plan or education plan as required under section 102 of this Act, section 123 of the Developmental Disabilities Act of 1984, and sections 612(4) and 614(5) of the Education of the Handicapped Act, respectively;

(E) the State will conduct periodic reviews of the progress of individuals assisted under this part to determine whether services provided to such individuals should be continued, modified, or discontinued; and

(F) the State will make maximum use of services from public agencies, private nonprofit organizations, and other appropriate resources in the community to carry out this part;

(4) demonstrate evidence of collaberation by and funding from relevant State agencies and private nonprofit organizations to assist in the provision of supported employment services;

(5) provide assurances that all designated State agencies will expend not more than 5 percent of the State's allotment under this part for administrative costs for carrying out this part; and

(6) contain such other information and be submitted in such form and in accordance with such procedures as the Commissioner may require.

SERVICES; AVAILABILITY AND COMPARABILITY

SEC. 365. (a)(1) Services available under this part may include but are not limited to an evaluation of rehabilitation potential, the provision of skilled job trainers who accompany the worker for intensive on-the-job training, systematic training, job development, follow-up services (including regular contact with the employer, trainee, and the parent or guardian), regular observation or supervision of the severely disabled individual at the training site and other services needed to support the individual in employment.

(2) The evaluation of rehabilitation potential authorized by paragraph (1) of this subsection shall be supplementary to the evaluation of rehabilitation potential provided under title I of this Act.

(b) Services authorized under this part are limited to supported employment training and time-limited post-employment services. Extended supported employment services shall be provided by the relevant State agencies and private organizations as specified under section 634(b)(4) of this part or any other available source.

(c) Services provided under this part shall be complementary to services provided under title I of this Act.

RESTRICTION

Sec. 636. Each designated State agency shall collect the client information required by section 13 of this Act separately for supported employment clients under this part and for supported employment clients under title I.

SAVINGS PROVISION

Sec. 637. Nothing in this part shall be construed to prohibit a State from conducting or from carrying out training and time-limited post-employment services leading to supported employment in accordance with the State plan submitted under section 101 from its State allotment under section 110.

AUTHORIZATION OF APPROPRIATIONS

Sec. 638. (a) There are authorized to be appropriated to carry out this part $25,000,000 for the fiscal year 1987, $26,470,000 for the fiscal year 1988, $28,060,000 for the fiscal year 1989, and $29,730,000 for the fiscal year 1990.

(b)(1) The amendment made by subsection (a) of this section shall not apply in any fiscal year in which the appropriation for part C of title VI of the Rehabilitation Act of 1973 does not equal or exceed $5,000,000.

(2) The provisions of paragraph (1) are repealed on September 30, 1990.

TITLE VII—COMPREHENSIVE SERVICES FOR INDEPENDENT LIVING

Part A—Comprehensive Services

PURPOSE

Sec. 701. The purpose of this title is to authorize grants (supplementary to grants for vocational rehabilitation services under title I) to assist States in providing comprehensive services for independent living designed to meet the current and future needs of individuals whose disabilities are so severe that they do not presently have the potential for employment but may benefit from vocational rehabilitation services which will enable them to live and function independently.

ELIGIBILITY

Sec. 702. Services may be provided under this title to any individual whose ability to engage or continue in employment, or whose ability to function independently in his family or community, is so limited by the severity of his disability that vocational or comprehensive rehabilitation services appreciably more costly and of appreciably greater duration than those vocational or comprehensive rehabilitation services required for the rehabilitation of a handicapped individual are required to improve significantly either his ability to engage in employment or his ability to function independently in his family or community. Priority of services under this part shall be given to individuals not served by other provisions of this Act.

(b) For purposes of this title, the term "comprehensive services for independent living" means any appropriate vocational rehabilitation service (as defined under title I of this Act) and any other service that will enhance the ability of a handicapped individual to live independently and function within his family and community and, if appropriate, secure and maintain appropriate employment. Such services may include any of the following: counseling services, including psychological, psychotherapeutic, and related services; housing incidental to the purpose of this section (including appropriate accommodations to and modification of any space to serve handicapped individuals); appropriate job placement services; transportation; attendant care; physical rehabilitation; therapeutic treatment; needed prostheses and other appliances and devices; health maintenance; [recreational activities] *recreational services;* services for children of preschool age, including physical therapy, development of language and communication skills, and child development services; and appropriate preventive services to decrease the needs of individuals assisted under the program for similar services in the future.

ALLOTMENTS

SEC. 703. (a)(1) From sums made available for each fiscal year for the purposes of allotments under this subpart, each State whose comprehensive services plan has been approved under section 705 shall be entitled to an allotment of an amount bearing the same ratio to such sums as the population of the State bears to the population of all States. Except as provided in paragraph (2), the allotment to any State under the preceding sentence shall be not less than $200,000 or one-third of 1 percent of the sums made available for the fiscal year for which the allotment is made, whichever is greater, and the allotment of any State under this section for any fiscal year which is less than $200,000 or one-third of 1 percent of such sums shall be increased to the greater of the two amounts.

(2) For the purposes of this subsection, Guam, American Samoa, the Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands shall not be considered as States and shall each be allotted not less than one-eighth of 1 percent of the amounts made available for purposes of this subpart for the fiscal year for which the allotment is made.

(b) Amounts necessary to increase the allotments of States under paragraph (1) or to provide allotments under paragraph (2) shall be derived by proportionately reducing the allotments of the remaining States under paragraph (1), but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than the greater of $200,000 or one-third of 1 percent of the sums made available for purposes of this subpart for the fiscal year for which the allotment is made.

(c) Whenever the Commissioner determines that any amount of an allotment to a State for any fiscal year will not be utilized by such State in carrying out the purposes of this title, he shall make such amount available for carrying out the purposes of this section to one or more of the States which he determines will be able to use additional amounts during such year for carrying out such purposes. Any amount made available to a State for any fiscal year pursuant to the preceding sentence shall, for the purposes of this section, be regarded as an increase in the State's allotment (as determined under the preceding provisions of this section) for such year.

PAYMENTS TO STATES FROM ALLOTMENTS

SEC. 704. (a) From each State's allotment for a fiscal year under section 703, the State shall be paid the Federal share of the expenditures incurred during such year under its State plan approved under section 705. Such payments may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments and on such conditions as the Commissioner may determine.

(b)(1) The Federal share with respect to any State for any fiscal year shall be 90 percent of the expenditures incurred by the State during such year under its State plan approved under section 705.

(2) The non-Federal share of the cost of any project assisted by an allotment under this subpart may be provided in kind.

(3) For the purpose of determining the Federal share with respect to any State, expenditures by a political subdivision of such State shall, subject to regulations prescribed by the Commissioner, be regarded as expenditures by such State.

STATE PLANS

SEC. 705. (a) In order to be eligible for grants under this part, a State shall submit to the Commissioner a State plan for a three-year period for providing comprehensive services for independent living to severely handicapped individuals, and upon request of the Commissioner, shall make such annual revisions in the plan as may be necessary. Each such plan shall—

(1) designate the designated State unit of such State as the agency to administer the programs funded under this part;

(2) demonstrate that the State has studied and considered a wide variety of methods for providing comprehensive services to severely handicapped individuals (such as regional and community centers, halfway houses, and patient-release programs) and that the State will provide, to the maximum extent feasible, meaningful alternatives to institutionalization;

(3)(A) describe the quality, scope, and extent of the comprehensive services for independent living to be provided to handicapped individuals under this part, and specify the State's goals and plans with respect to the distribution of funds received under Part B of this title; and

(B) provide satisfactory assurances that facilities used in connection with the delivery of services assisted under this part and part B of this title will comply with the Act of August 12, 1968, commonly known as the Architectural Barriers Act of 1968;

(4) provide assurances that (A) an individualized written rehabilitation program meeting the requirements of section 102 will be developed for each handicapped individual eligible for independent living services under this part; (B) such services will be provided in accordance with such program; and (C) that such program be coordinated with the individualized written rehabilitation program, habilitation plan, or education program for such individual required under section 102 of this Act, section 112 of the Developmental Disabilities Services and Facilities Construction Act, and sections 612(4) and 614(a)(5) of the Education for All Handicapped Children Act of 1975, respectively;

(5) provide assurances that the State will consider recommendations of the State independent living council in determining how independent living services will be expanded or modified;

[(5)**]** *(6)* provide assurances that the State will conduct periodic reviews of the progress of individuals assisted under this title to determine whether services provided to such individuals should be continued, modified, or discontinued;

[(6)**]** *(7)* provide assurances that special efforts will be undertaken to provide technical assistance to urban and rural poverty areas with respect to the provisions of comprehensive services for severely handicapped individuals and describe such efforts;

[(7)**]** *(8)* provide assurances that handicapped individuals shall have a substantial role in developing the State plan;

[(8)**]** *(9)* provide assurances that not less than 20 percent of the funds received by a State under this part shall be used to make grants to local public agencies and private nonprofit organizations for the conduct of independent living services except that the Commissioner may waive the requirement of this clause if the Commissioner determines, on the basis of evidence submitted by the State, that such State cannot feasibly use the funds required to be expended under this section for the purposes of this clause; and

[(9)**]** *(10)* contain such other information, and be submitted in such form and in accordance with such procedures, as the Commissioner may require.

(b) As soon as practicable after receiving a State plan submitted under subsection (a), the Commissioner shall approve or disapprove such plan. The Commissioner shall approve any State plan which he determines meets the requirements and purposes of this section. The provisions of subsections (b), (c), and (d) of section 101 of the Act shall apply to any State plan submitted to the Commissioner pursuant to this section, except that for purposes of this section, all references in such subsections to the Secretary shall be deemed to be references to the Commissioner.

STATE INDEPENDENT LIVING COUNCIL

SEC. 706. (a) There shall be established in each State receiving assistance under this title a State Independent Living Council (hereinafter in this title referred to as the "Council"). The Council shall—

(1) provide guidance for the development and expansion of independent living programs and concepts on a statewide basis;

(2) provide guidance to State agencies and to local planning and administrative entities assisted under this title;

(3) prepare and submit to the State agency designated under section 705(a)(1) a five-year plan addressing the long-term goals and recommendations for the need for independent living services and programs within the State.

(b)(1) The Council shall be composed of representatives of the principal State agencies, local agencies, and nongovernmental agencies and groups concerned with services to handicapped individuals under this title; handicapped individuals and parents or guardians of handicapped individuals; directors of independent living centers; representatives from private business employing or interested in employing handicapped individuals; representatives of other appropriate organizations and other appropriate individuals.

(2) A majority of the membership of the Council shall be handicapped individuals and parents or guardians of handicapped individuals.

(3) The members of the Council shall be appointed by the director of the State agency designated under section 705(a)(1).

(c) The chairperson of the Council shall be selected from among the membership and shall also serve as a member of any other State advisory committee primarily concerned with services to handicapped individuals.

(d) Any State in which there is a council which substantially meet the requirements of paragraphs (1) and (2) of subsection (b) and has the authority or will, promptly after the date of enactment of the Rehabilitation Amendments of 1986, have the authority to carry out the functions prescribed in subsection (a) shall be deemed to meet the requirements of this section.

PART B—CENTERS FOR INDEPENDENT LIVING

GRANT PROGRAM ESTABLISHED

SEC. 711. (a) The Commissioner may make grants to any designated State unit which administers the State plan under section 705 to provide for the establishment and operation of independent living center, which shall be facilities offering the services described in subsection (c)(2).

(b) No grant may be made under this section unless an application therefor has been submitted to and approved by the Commissioner. The Commissioner may not approve an application for a grant unless the application—

(1) contains assurances that the designated State unit will use funds provided by such grant in accordance with subsection (c); **[and]**

(3) contains assurances that each center will have a board which is composed of majority of handicapped individuals.[1]

(c) An application by a public or nonprofit agency or organization for such grant shall—

(1) provide assurances that handicapped individuals will be substantially involved in policy direction and management of such center, and will be employed by such center;

(2) contain assurances that the independent living center to be assisted by such grant shall offer handicapped individuals a combination of independent living services, including as appropriate—

(A) intake counseling to determine the client's need for specific rehabilitation services;

(B) referral and counseling services with respect to attendant care;

(C) counseling and advocacy services with respect to legal and economic rights and benefits;

(D) independent living skills, counseling, and training, including such programs as training in the maintenance of necessary equipment and in jobseeking skills, counseling on therapy needs and programs, and special programs for the blind and deaf;

(E) housing, *recreation* and transportation referal and assistance;

(F) surveys, directories, and other activities to identify appropriate housing, *recreational opportunities* and accessible transportation, and other support services;

(G) health maintenance programs;

(H) peer counseling;

(J) education and training necessary for living in the community and participating in community activities;

(K) individual and group social and recreation **[**activities**]** *services;*

(L) other programs designed to provide resources, training, counseling, services, or other assistance of substantial benefit in promoting the independence, productivity, and quality of life of handicapped individuals;

(M) attendant care and training or personnel to provide such care; and

(N) such other services as may be necessary and not inconsistent with the provisions of this title;

(3) contain a description of an evaluation plan which at the end of each year of a funding cycle shall reflect at a minimum the following—

(A) the numbers and types of handicapped individuals assisted;

(B) the extent to which individuals with varying handicapping conditions were served;

(C) the types of services provided;

(D) the sources of funding;

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[1] This shall take effect one year after the date of enactment of this Act.

(E) the percentage of resources committee to each type of service provided;

(F) how services provided contributed to the maintenance of or the increased independence of handicapped individuals assisted;

(G) the extent to which handicapped individuals participate in management and decisionmaking in the center;

(H) the extent of capacity building activities including collaboration with other agencies and organizations;

(I) the extent of catalytic activities to promote community awareness, involvement, and assistance;

(J) the extent of outreach efforts and the impact of such efforts; and

(K) a comparison, when appropriate, of prior year(s) activities with most recent year activities.

(4) contain such other information, and be submitted in such form and in accordance with such procedures, as the Commissioner may require.

(d) If, within **[**six months**]** *three months* after the date in each fiscal year on which the Commissioner begins to accept applications from designated State units under this section, a designated State unit in a State has not submitted such an application, the Commissioner may accept applications for grants under this section from local public agencies or private nonprofit organizations within such State. After the receipt of such applications, the Commissioner may make grants to such agencies or organizations for the purpose of establishing independent living centers to provide the service described in subsection (c)(2).

(e)(1) The Commissioner shall, not later than February 1, 1985, develop and publish standards for evaluation consistent with the provisions in subparagraph (c)(3) to assist each inpendent living center receiving funding under this title to review and evaluate the operation of its center. *Such standards shall be revised as necessary, subject to paragraph (4) of this subsection.*

(2) The Commissioner shall, under the authority specified in section 14 of this Act, conduct a comprehensive evaluation of the Centers for Independent Living Grant Program, and submit a report no later than February 1, 1986, to Congress on the evaluation, including recommendations for the improvement and continuation of each grantee and for the support of new independent living centers. In conducting the comprehensive evaluation, the Commissioner shall apply standards for evaluation which are consistent with the standards required in paragraph (1).

(3) In developing standards for evaluation to be used by the grantees, and in developing the standards for evaluation to be used in the comprehensive evaluation, the Commissioner shall obtain and consider recommendations for such standards from national organizations representing handicapped individuals and independent living programs; and from independent living centers, professionals serving handicapped individuals, and individuals, associations, and organizations engaged in research in independent living.

(4) No standards may be established under this subsection unless the standards are approved by the National Council on the Handicapped. The Council shall approve the standards within ninety

days after receiving the standards. If the Secretary of Education has not received notification of approval or disapproval from the Council within the ninety days, the standards shall be deemed approved. A Council decision on such standards shall occur at a regularly scheduled meeting of the Council, and shall be the result of a simple majority of those present at the meeting.

(f) Grantees receiving assistance under this section in the fiscal year in which the Rehabilitation Amendments of 1984 are enacted shall continue to receive assistance through September 30, 1986, unless the Commissioner determines that there is a substantial failure to comply with the provisions of the approved application.

(g)(1) Each grantee receiving assistance under this section in fiscal year 1986 shall continue to receive assistance through September 30, 1987, unless the Commissioner determines that the grantee is not in compliance with the provisions of the approved application of the grantee.

(2) Grantees continuing to receive assistance on the basis of the review described in paragraph (1) of this subsection by the Commissioner using standards described in subsection (e)(1) of this section. Each such grantee shall continue to receive assistance for 3 years unless the commissioner determines that the grantee is not substantially in compliance with such standards and with the provisions of the approved application of the grantee.

(3) Competition for new grant awards under this part shall include consideration of past performance.

(h) In approving applications under this section, the Commissioner shall give priority to geographic areas among the States which are currently not served or underserved by independent living centers.

PART C—INDEPENDENT LIVING SERVICES FOR OLDER BLIND INDIVIDUALS

SERVICE PROGRAM ESTABLISHED

SEC. 721. (a) The Commissioner may make grants to any designated State unit to provide independent living services to older blind individuals. Such services shall be designed to assist an older blind individual to adjust to his blindness by becoming more able to care for individual needs. Such services may include—

(1) services to help correct blindness such as (A) outreach services, (B) visual screening, (C) surgical or therapeutic treatment to prevent, correct, or modify disabling eye conditions, and (D) hospitalization related to such services;

(2) the provision of eyeglasses and other visual aids;

(3) the provision of services and equipment to assist an older blind individual to become more mobile and more able to care for himself;

(4) mobility training, Braille instruction, and other services and equipment to help an older blind individual adjust to blindness;

(5) guide services, reader services, and transportation; and

(6) any other appropriate services designed to assist a blind person in coping with daily living activities, including supportive services or rehabilitation teaching services.

(b) No grant may be made under this section unless an application therefor, containing such information as the Commissioner may require, has been submitted to and approved by the Commissioner. The Commisisoner may not approve any application for a grant unless the application contains assurances that the designated State unit will seek to incorporate any new methods and approaches relating to the services described in subsection (a) into its State plan for independent living services under section 705 of this title.

(c) Funds received under this section by any designated State unit may be used to make grants to public or private nonprofit agencies or organizations to—

(1) conduct activities which will improve or expand services for older blind individuals and help improve public understanding of the problems of such individuals; and

(2) provide independent living services to older blind individuals in accordance with the provisions of subsection (a).

(d) For purposes of this section, the term "older blind individual" means an individual aged fifty-five or older whose severe visual impairment makes gainful employment extremely difficult to attain but for whom independent living goals are feasible.

PART D—GENERAL PROVISIONS

PROTECTION AND ADVOCACY OF INDIVIDUAL RIGHTS

SEC. 731. (a) The Commissioner may make grants to States to establish systems to protect and advocate the rights of severely handicapped individuals. In order to be eligible for a grant under this section, a State shall provide the Commissioner with assurances that any system established with grants made under this section shall have the authority to pursue legal, administrative, and other appropriate remedies to insure the protection of the rights of such individuals receiving services under this title within the State. A State must provide that such system will be independent of any designated State unit that provides services under this part to such individuals.

(b) No grant may be made under this section unless an application therefor has been submitted to the Commissioner containing such information and in such form and in accordance with such procedures as the Commissioner may, by regulation, prescribe.

EMPLOYMENT OF HANDICAPPED INDIVIDUALS

SEC. 732. As a condition of providing assistance under this title, the Secretary shall require that each recipient of assistance take affirmative action to employ and advance in employment qualified handicapped individuals on the same terms and conditions required with respect to the employment of such individuals under the provisions of this Act which govern employment (1) by State rehabilitation agencies and rehabilitation facilities, and (2) under Federal contracts and subcontracts.

PART E—AUTHORIZATIONS

AUTHORIZATION OF APPROPRIATIONS

[SEC. 741. (a) There are authorized to be appropriated to carry out part A of this title such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.

(b) There are authorized to be appropriated to carry out part B of this title $21,000,000 for the fiscal year 1984, $22,000,000 for the fiscal year 1985, and $23,000,000 for the fiscal year 1986.

(c) There are authorized to be appropriated to carry out part C of this title such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.

(2) The provisions of section 1913 of title 18 of the United States Code shall be applicable to all moneys authorized under the provisions of this subsection.

(d)(1) There are authorized to be appropriated to carry out part D of this title such sums as may be necessary for each of the fiscal years 1984, 1985, and 1986.]

SEC. 741. (a) There are authorized to be appropriated to carry out part A of this title $11,830,000 for fiscal year 1987, $12,310,000 for fiscal year 1988, $13,050,000 for fiscal year 1989, and $13,860,000 for fiscal year 1990.

(b) There are authorized to be appropriated to carry out part B of this title, $24,320,000 for fiscal year 1987, $25,750,000 for fiscal year 1988, $27,300,000 for fiscal year 1989, and $28,980,000 for fiscal year 1990.

(c) There are authorized to be appropriated to carry out part C of this title $5,290,000 for fiscal year 1987, $5,600,000 for fiscal year 1988, $5,930,000 for fiscal year 1989, and $6,300,000 for fiscal year 1990.

(d)(1) There are authorized to be appropriated to carry out part D of this title such sums as may be necessary for each of the fiscal years 1987, 1988, 1989, and 1990.

(2) The provisions of section 1913 of title 18 of the United States Code shall be applicable to all moneys authorized under the provisions of this subsection.

HELEN KELLER NATIONAL CENTER ACT

AUTHORIZATION OF APPROPRIATIONS

SEC. 205. (a) [There are authorized to be appropriated $4,000,000 for the fiscal year 1984, $4,200,000 for the fiscal year 1985, and $4,300,000 for the fiscal year 1986 to carry out the provisions of this title.] *There are authorized to be appropriated to carry out the provisions of this title such sums as may be necessary for the fiscal year 1987 and for each succeeding fiscal year ending prior to October 1,* 1990. Such sums shall remain available until expended.

PRESIDENT'S COMMITTEE ON EMPLOYMENT OF THE HANDICAPPED

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That in order to effectuate the purposes of National Employ the Physically Handicapped Week and in order to enable the President to provide the President's Committee on National Employ the Physically Handicapped Week with adequate personnel to assist in its activities, and otherwise to provide employment of physically handicapped persons, by creating Nationwide interest in the rehabilitation and employment of the handicapped and by obtaining and maintaining cooperation from all public and private groups in the field, there is hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, not to exceed the sum of $75,000 to be expended in such manner and by such agencies as the President may direct, for the work of the President's Committee on National Employ the Physically Handicapped Week. *The President's Committee on Employment of the Handicapped shall be guided by the general policies of the National Council on the Handicapped.*

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